Daily Report

Latin America

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FBIS-LAT-91-135 *15 July 1991*

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Cuba

CDR Sends Message of Reaffirmation to Castro

FL1507114691 Havana Tele Rebelde Network in Spanish 1100 GMT 15 Jul 91

[Text] The members of the Committees for the Defense of the Revolution [CDR] in Havana are prepared to confront any attempt the enemy may make to harm the revolution. This was the content of the message they agreed to send to our commander in chief, Fidel Castro, from the organization's provincial assembly. This feeling about defending our independence, which has always characterized the Cuban people, was reflected today in the Havana CDR assembly with very serious arguments.

The work of Paulina Lobelo Garcia, who along with two other CDR members had detected a CIA infiltrator in Habana del Este, was recognized. State Security agent Jose Ramon Fernandez Brenes, who from the United States prevented the enemy television signal from entering our country, was given the status of CDR member, which he had lost in the eyes of his neighbors and family members. He also received the 28 September Medal and the seal of 20 years of vigilance.

The various actions of the CDR against citizens who had tried to harm the image of our process were discussed at the meeting. Special recognition was also given to the young people who are participating along with the people in giving blood donations and being mobilized for agriculture and defense.

[Begin recording of Jorge Lezcano, Havana City Province party first secretary] We can very rightly affirm, without fear of making any mistake, that there is no country today in the world that has the instruments for democratic participation in which the people can state their opinions every day, constantly, about everything we should do, as we do in Cuba, suggesting, proposing, criticizing the mistakes we have made, the deficiencies we have, and helping to shape the ideas that arise from the collective intelligence of the people to improve our work, to perfect our work. [applause] This is the pride of the people, the pride of the revolution, and the pride of the party. If the defense of the revolution and the future of the revolution are in the hands of the CDR, this future is guaranteed. Fatherland or death, we will win! [applause] [end recording]

Ambassador on Castro's Participation in Summit

PA1307201191 Havana Radio Havana Cuba in Spanish 1400 GMT 13 Jul 91

[Text] Cuban Ambassador to Mexico Jose Fernandez Cossio has told the Mexican press that President Fidel Castro will attend the Ibero-American summit in Guadalajara with a constructive spirit, an open mind, and the desire to unite and identify with Latin America.

Fernandez Cossio stated that at the Ibero-American summit the Cuban president will explain his viewpoints on the country's foreign policy, based on the defense of its sovereignty and that of the Latin American and Third World peoples.

Hydroelectric Project With DPRK Planned

PA1307140891 Havana Radio Havana Cuba in Spanish 1225 GMT 8 Jul 91

[Report by Reinaldo Santana]

[Text] Studies on erecting the largest Cuban hydroelectric plant in Baracoa, Guantanamo Province, in cooperation with the DPRK should conclude in December.

A team, on which is represented a variety of disciplines, has concluded the first of three engineering-geological stages that precede construction of the facility, which will generate nearly 400 megawatts of power and save 185,000 tons of oil each year.

The studies will allow engineers to make fundamental decisions to draft technical and executive projects and begin the construction of the complex in the far eastern portion of the Sagua Baracoa Mountain Range.

Early next year work should begin on the installation, which includes the (Loaba) and (Toa) Dams. The latter will store 2 billion cubic meters of water, twice the capacity of the biggest existing Cuban dam—the (Sata) Dam in Sancti Spiritus Province.

The huge complex is expected to be completed by 1994. Its reservoirs will also allow for the irrigation of extensive farming areas, as well as aquicultural activities. In addition, the complex will promote tourism because the dams, especially that of the swift (Toa) River, are navigable for boats with a medium draft; in some sections the river's depth will be 130 meters and the distance between the banks will reach four kilometers.

Commentary Views Central American Armies

PA1307122391 Havana Radio Havana Cuba in Spanish 0124 GMT 13 Jul 91

["Our America" commentary by Manolo Ortega]

[Text] Only three days to go before the Central American presidential summit during which the main topic of discussion will be the cessation of armed conflicts in some countries. This is a vital issue in the development of these nations. While political organizations and the majority of civilian circles are convinced that war and development cannot go hand in hand, this does not seem to be the prevailing concept in military circles, which do not seem to care much about poverty but about the military's overriding role in the nation's activities. Anyway, the strong military influence in Central America does not only have to do with local armies but also with the importance that successive U.S. governments have attached all these years to armed forces to combat any expression of popular dissatisfaction.

Everything seems to indicate that now, upon observing that there are fertile grounds for economic investments in Europe, the United States is advising the uniformed Central Americans to apply a sort of detente because their activities are proving to be too expensive for Washington. This might be the origin of the apparent change that—according to General Luis Discua, Honduran Armed Forces Commander—will be introduced in the local army. From now on, Discua says, the Honduran military will devote its efforts to protecting the environment, fighting drugs and arms trafficking, and giving impetus to agricultural production. Some regional media have asserted that the clownish transformation of the Honduran High Command was announced after Gen. Discua paid a visit to the United States, where he talked with congressmen and Department of State officials. It has been said that the general submitted to the United Nations an inventory of the Honduran soldiers and arms as part of the regional peace process. The Honduran military leader said that Washington approved his plans and that he did not ask the Pentagon for any military aid for his country, where more than 1,000 U.S. soldiers are permanently stationed on military bases strategically close to the borders with Nicaragua and El Salvador. Many observers are of the opinion that some excesses committed by the Honduran Army have also been used by the United States as an excuse to reduce military aid. Something similar reportedly happened in Guatemala and El Salvador.

The repressive policy applied by the region's military seems to clash with that of Washington now because the warnings to El Salvador, where the murder of the six Jesuit priests has not yet been clarified, have not led to the trial of those most deeply involved in the deed. No military dictatorship can stand without the United States' open or covert support. What is happening is that, after having advised and backed repression for many years as part of its national security doctrine, the U.S. Government now intends to shift the orientation of its policy on behalf of fresh interests that are more important to its administration. Some analysts also think that now, when the armed disagreements tend to be settled through negotiations and Washington proclaims the universality of democracy on the subcontinent, the military—trained and equipped by the Pentagon—has not succeeded in fitting itself into the framework of respect for human rights, something that has always been foreign to it.

Officials Discuss Causes of Economic Crimes

FL1307020991 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 13 Jul 91

[Text] A dialogue on the causes of economic crimes resulted in an agreement on the need to make all the people join in the fight against crimes and to strengthen the authority of management.

[Begin unidentified reporter] The exchange experiences and unification of views in the fight against economic crimes was the essence of the meeting between vice ministers, directors, and of state central administration officials with the president of the State Committee for Finances and the attorney general.

Auditing was a subject of great interest—its application in the search for greater economic control and efficiency and as a documenting instrument in the investigation of criminal acts.

The need to continue being firm against those who want to live outside the law was made evident during the debates between representatives of the various organizations. They also agreed that the penal sanction is an unavoidable fact with the existence of any crime. However, the concept that the penal process, which will always exist, will not be the solution for the economic crimes was also reiterated. The conferees said the true solution lies in the control of the material resources and the efficiency with which they are used as well as the application of new administrative concepts. [end recording]

Tourism Seminar Examines Hard Currency Sources

FL1207134391 Havana Radio Rebelde Network in Spanish 1205 GMT 12 Jul 91

[Text] Today comprehensive roundtable talks will be held at the convention center to summarize the work sessions of the tourism seminar that has been sponsored by Cubanacan and the Spanish (Raidtour) Company. Spanish Professors Jose Luis Santos, Angel Chicharo, Luis Pagan, and Enrique Torres will participate in the roundtable talks. All seminar participants will have an opportunity to exchange experiences on the subjects discussed during the meetings.

The meeting that attracted the most interest was on alternate tourism activities to increase the average expense incurred by tourists. To bolster national income, Cuba needs to continuously increase the out-of-pocket expenses of tourists. Large-scale commercialization of Cuban products and multiple activities for the tourists are currently the most important steps to obtain higher hard currency earnings.

Havana Announces Defection of Baseball Player

FL1207114291 Havana Tele Rebelde Network in Spanish 1100 GMT 12 Jul 91

[Text] The INDER [National Sports, Physical Education, and Recreation Institute] council of directors has announced in a press communique that baseball player Rene Arocha has betrayed our country during the trip back from the United States after participating in a bilateral baseball competition as a member of the Cuban team. Arocha took advantage of a stopover in Miami, where he left the group.

Inter-Caribbean Affairs

Grenada Continues To Oppose Cuban Membership

FL0807162991 Bridgetown CANA in English 2213 GMT 6 Jul 91

[Text] St. George's, Grenada, July 6, CANA—Grenada will continue to oppose Cuba's application for membership of the Caribbean Tourism Organization [CTO], although the two countries are at least talking to each other, according to Prime Minister Nicholas Brathwaite. Brathwaite made the disclosure after he returned home from the 12th Caribbean Community [Caricom] heads of government summit in St. Kitts, where officials from the two countries had discussions.

Brathwaite said Cuba has been trying through the Caricom Secretariat to re-establish "normal" diplomatic relations with Grenada. "We insisted that Cuba fulfilled two conditions. One of them is that they withdraw the case against the people of Grenada with respect to equipment and the second had to do with recognizing the legitimacy of the Government of Grenada," he said.

Cuba took Grenada to court for the return of heavy equipment used by the ill-fated leftist People's Revolutionary Government [PRG] in the construction of the Point Saline International Airport. Cuba was close to the PRG but distanced itself from the conservative governments which followed.

The prime minister told a press conference he has heard of Cuba's willingness to drop the case but insisted it must be through bilateral channels and not through a mediator. "Two weeks ago we received word that they were prepared to withdraw the litigation, but we are not satisfied that they have taken action with respect to indicating quite clearly, not through any third country, that they will recognise our legitimacy," he said.

The Grenada leader said the discussions with a Cuban representative during the summit had met with little or no success. "The most we could do is agree to continue to discuss. So the present situation is we will continue to oppose Cuba's admission to the Caribbean Tourism Organization although there is a dramatic development," the prime minister said. Brathwaite says while his country's position is based on principle, Cuba's main concern is trying to become a member of the CTO.

"We are satisfied that principle is justified, and we shall await any further development which they might want to suggest to this matter," he said.

Barbados

Bank Governor Confirms Presence of IMF Team

FL1007160191 Bridgetown CANA in English 1407 GMT 10 Jul 91

[Text] Bridgetown, Barbados, July 10, CANA—Representatives of the International Monetary Fund (IMF) are in Barbados to help the government prepare an economic adjustment programme, Central Bank Governor Dr. Kurleigh King confirmed Tuesday.

"The representatives of the (IMF) are in Barbados and have been in Barbados for some time and having discussions with officials of the Central Bank, Ministry of Finance, statutory corporations, and other entities with a view to helping the government of Barbados prepare a programme in order to correct the imbalances that currently exist in the country," King said.

Until Tuesday's confirmation by King during a press conference on another issue, the government had only announced, late last month, that it would approach the IMF and other financial institutions for advise on an adjustment programme.

Barbados recorded a 3.5 per cent economic decline last year, followed by a 1.5 per cent decline in first quarter 1991 performance, accompanied by persistent fiscal deficits, and a weak balance of payments and foreign reserve position. The government of Prime Minister Erskine Sandiford has already undertaken expenditure reduction measures—requiring 7 per cent cuts in expenditure by its ministries—and measures to increase Central Bank discretion over the flows of foreign exchange into and out of the country.

Government and Central Bank officials have however said there is need to involve the expertise of the international financial institutions in the process.

"I suppose we could say we have enough brains in Barbados, we could do it ourselves. I think (however) it would be foolish to ignore the wealth of experience, of expertise that lies in the World Bank and the IMF and other institutions," King said in response to one question taken in relation to the IMF issue. "So we have sought and expect to obtain their advice. That's where we are," he concluded.

Dominica

Charles Threatens To Ban Colombian Sugar

FL1307021091 Bridgetown CANA in English 2101 GMT 12 Jul 91

[Text] Roseau, Dominica, July 12, CANA—The Dominica Government, reacting to a cocaine seizure from a ship bringing sugar here from Colombia, is thinking of banning imports of Colombian sugar, Prime Minister Eugenia Charles said.

"We're friends with the Colombian Government, but we're not going to allow Colombian criminals to use us—because we purchase sugar from them—for the purpose of passing their cocaine through our waters," Charles said Thursday.

More than 3,000 pounds of cocaine were seized and 12 Colombians arrested June 26 at the Roseau Harbour after a search of a ship transporting sugar for Dominica.

The Colombians are due to appear in court here next Tuesday on charges of possession, importation, and trafficking in cocaine.

Charles, who witnessed the burning of quantities of the seized drugs Thursday, said she feared that some of that shipment might have found its way to the Dominica market. She said the burning of the drug, except for a small sample retained for court evidence, removed the danger of keeping a large quantity of drugs.

"I think it's very important to do that, because the cases may take two years, and you may have this ...on your hands. It's a security risk. There are people who might want to interfere with it, and I don't want any of it to get into the wrong hands," the prime minister said.

Dominican Republic

Opposition Groups Sponsor Strike; Trade Suffers

Strike Ends

FL1107172391 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 11 Jul 91

[Text] The strike declared with the sponsorship of groups in opposition to the government and the so-called people's groups ended this morning throughout the country. Productive activities began again at dawn, when a total normalization of vehicular traffic was observed. Likewise, transportation of passengers and cargo from and to the towns outside the capital city has begun to run normally. All retail businesses have opened.

The strike, announced as being of indefinite duration, ended after about 48 hours, after authoritative opinion makers and private businessmen pointed out its high cost. The stoppage of activities, which had an extraordinarily high cost for trade and industry, took place in relative calm. The deployment of the military and police throughout the country prevented violence. Some groups have questioned the strike, saying that it did not accomplish anything for its sponsors or any official or private sector.

Strikers Arrested

FL1107175291 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 11 Jul 91

[Text] The chief of the National Police has reported that several people were arrested during the strike called by the Unitary Workers Federation [Central de Trabajadores Unitaria] and other organizations. He stated that these arrests were made for clear violations of the law. Major General Ramon Alcides Rodriguez Arias refused to give the number of those arrested but said that they were caught in various parts of the country while throwing tire tacks, burning tires, or simply creating a public disturbance. Rodriguez Arias stressed that those who were arrested while clearly violating the law will have to be prosecuted because disturbances will not be permitted to occur because of the strike.

Police Charge 9, Release 300

FL1207195191 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 12 Jul 91

[Text] The police have presented for prosecution nine individuals accused of creating public disturbances during the recently concluded strike. Police spokesman Colonel Juan Ramon de la Cruz Martinez said that nearly 300 others had been arrested on the same charge but have been released. The colonel did not reveal the names of those to be prosecuted.

Official Says 5,000 Haitians Returned Home

FL0807180091 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 8 Jul 91

[Text] The Immigrations Directorate has announced that the number of undocumented Haitians that have returned to their country has now passed 5,000.

The director of immigrations for Haitian affairs, Romulo de los Santos, explained that of this number some 4,000 have gone voluntarily to their country. He added that there are reports that at the border crossing points in Dajabon Province some 4,000 Haitians have crossed voluntarily. The undocumented Haitians returned to Haitian territory near the office of Immigrations that operates in that part of the border.

Seek Travel Documents

FL1007173491 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 10 Jul 91

[Text] Hundreds of undocumented Haitians are appearing daily at their embassy here in the Dominican Republic hoping to get travel letters to return to Haiti out of fear of being detained by Dominican authorities and repatriated without their belongings.

Madrid EFE reports confirm that beginning at sunrise the Haitians gather at their embassy seeking travel documents because they do not have passports, since they entered the country illegally.

Given the quantity of people waiting to see the embassy officials, it was not possible for us to speak with embassy personnel to know, among other things, how many Haitains have returned voluntarily to their country.

Arrests Stopped

FL1207160091 Santo Domingo Cadena de Noticias in Spanish 0948 GMT 12 Jul 91

[Text] The government has stopped conducting raids and arrests of Haitians who live in the Dominican Republic. This information was made available by

Romulo de los Santos, director of the Haitian Affairs Directorate of the Inmigration Agency. He said that he did not know when the repatriations will begin again. De los Santos said that some 60 Haitians being held at the southe.n agrarian development center in San Cristobal will be deported soon. He said that illegal Haitian residents continue to arrive at this center.

It has been impossible to obtain an official response to why the campaign was suspended, but it has been said that the measure responds to a shortage of Haitian workers to conduct the sugarcane harvest.

Demand for Balaguer's Resignation Opposed

FL1007221091 Santo Domingo Cadena Brea Pena in Spanish 2100 GMT 10 Jul 91

[Text] Dr. Jose Francisco Pena Gomez has asserted that Dr. Joaquin Balaguer must complete his presidential term even if it is from a wheelchair, if necessary. The Dominican Revolutionary Party leader said it is in the best interest of the opposition party for the current head of state to complete his government post term. He opposes the demand made by the Dominican Liberation Party for the president to resign. Former President Juan Bosch alleges that President Balaguer has shown that he is not capable of solving the country's problems.

* New High Yield Corn To Replace Imports

91CA0179D Santo Domingo LISTIN DIARIO in Spanish (ECONOMICAS SECTION) 12 Jun 91 p 1-D

[Article by Pedro Caba]

[Text] After years of experimentation, the company Improved Seeds, S.A. has announced it has 1,600 quintals of seed to plant the Unphu 301C variety of corn, which yields almost three times more per tarea than domestic varieties.

Heading up the company with a group of professionals is geneticist Pedro Comalat Rodes, who has succeeded in developing variety Unphu 301C, and who states that he will not stop there and that his next step will be to develop an even more productive and efficient domestic hybrid.

Comalat Rodes and his partners, agricultural engineer Ricardo Ceara Hatton and economist Francisco Checo insist that if the domestic varieties are replaced by Unphu 301C, within five years they could replace some 100,000 metric tons of corn imports per year, at a savings of more than $50 million.

Raised in Palenque, near the capital, the variety has already been proven efficient in other places, particularly the land northeast of the Cruz de Manzanillo state project.

Comalat Rodes is a geneticist of Spanish origin who has lived more than 30 years in this country, also working on corn-experimentation projects at specialized centers in the United States and various Latin American countries.

In 1989, the latest figures available to agricultural engineer Ceara Hatton, domestic corn consumption was 9.1 million quintals, 2.1 times more than the amount consumed in 1980, a cumulative annual growth rate of 11.9 percent.

Of the domestic corn demand, only three percent is for human consumption, with the remainder broken down as follows: 19 percent for milk products, 21 percent for pig-raising, and another 15 percent for livestock.

Improved Seeds, S.A. executives say that this entire demand can be completely filled with domestically-produced corn within a five-year period.

Until now, the country has only grown 14 percent of domestic corn consumption, which in 1989 was concentrated in an area of 660,000 tareas in Puerto Plata, Santiago, Azua, San Juan de la Maguana, Elias Pina, and the Central region, which produced the least with only 10.5 percent.

"There is no need to incorporate more land than the area traditionally used. We merely propose that we replace the Creole variety with Unphu 301-C and the hybrids that we will surely develop in the future, with much greater yields than this," Comalat Rodes said.

Executives from Improved Seeds, S.A., are holding a field demonstration next Saturday, to demonstrate the farming practices recommended for the variety that they have put on the market.

Grenada

Court Upholds Convictions in Bishop Murder Case

FL1207173191 Bridgetown CANA in English 1718 GMT 12 Jul 91

[Text] St. George's, Grenada, July 12, CANA—The Grenada Appeal Court on Friday upheld the conviction and death sentences of 17 persons charged with the October 1983 murder of Prime Minister Maurice Bishop and members of his cabinet. Former Deputy Prime Ministrer Bernard Coard and his wife were among the 17 brought into the court, two at a time, to hear the verdict, handed down by the court president, Barbadian Sir Frederick Smith.

The appeal against the conviction of Count 10, the killing of trade unionist, Vincent Noel, was allowed on the grounds that there was not enough evidence to show cause of death. Noel was killed when armoured cars of the then Peoples Revolutionary Government (PRG) opened fire on the crowd at Fort Rupert at the height of a palace coup.

The 17 were charged for the murder of Bishop, three members of his cabinet, Jacqueline Creft, Norris Bains, and Unison Whiteman, as well as Evelyn Bullen, Evelyn Maitland, Fitzroy Bain, and Noel.

The appeal court judges said they found no evidence that the verdicts of the jury were unreasonable or inconsistent, although according to Justice Rex Mc Kay, the acquittal of one of the accused, Raeburn Nelson, was puzzling.

There was no response from any of the accused in court. The appeal court here is the court of last resort.

Haiti

World Bank Pledges $200 to $300 Million

FL1207015491 Port-au-Prince Radio Nationale in Creole 1300 GMT 11 Jul 91

[Text] The meeting of the World Bank consultative group, held in Paris yesterday morning, yielded a great deal to the country in political, diplomatic, and financial areas. All 94 projects presented by the Haitian delegation received the consultative group's approval. The World Bank has agreed to provide $200 to $300 million for development of the country. This clearly demonstrates the international community's commitment to supporting Haiti's democracy.

The financial backing will become available as of July. This money will be used to build roads and schools and for other high-priority projects. It is now up to the Haitian Government to provide the technical studies necessary for the realization of these projects. At that time the first installment will be paid.

U.S. Returns 144 Haitians Escaping Country

FL1207221791 Port-au-Prince Radio Antilles International in Creole 1100 GMT 11 Jul 91

[Text] A group of 203 Haitians left the Dominican Republic on 10 July to enter Haiti of their own accord, while 144 others who left were returned by the U.S. Government. They were delivered to the Port-au-Prince wharf by a U.S. Coast Guard boat, with instructions that they were not authorized to leave the port unescorted. From there they were driven elsewhere in a police vehicle under strong military escort.

Authorities should be prepared for the possibility that compatriots deported from the Bahamas and other foreign countries may arrive over the next few days.

Jamaica

Finance Minister Outlines IMF Agreement

FL1107175891 Bridgetown CANA in English 1703 GMT 11 Jul 91

[Text] Kingston, Jamaica, July 11, CANA—Jamaica is forecasting a 3 per cent economic growth under an International Monetary Fund-supported economic programme over the next year, Finance Minister P.J. Patterson said. Patterson, giving details of the 12-month standby arrangement with the IMF, also forecast a decrease in prices and an improvement in the balance of payments. The standby agreement gives Jamaica access to U.S. 59 million dollars in credit from the IMF. Patterson told Parliament Wednesday the agreement sought to foster an environment to sustain economic growth.

Under the programme, it is expected that the external current account deficit of the balance of payments would decline to 5 per cent of Gross Domestic Product [GDP]. The net international reserve position of the Central Bank is expected to improve by at least U.S. 60 million dollars or 2 per cent of GDP. Also, the [words indistinct] programmed to be reduced by about U.S. 62 million dollars. In addition, the overall financing requirements of the public sector, including the losses of the Central Bank, should be contained to 2.2 per cent of the GDP notwithstanding a projected rise in the Central Bank's losses from 5 per cent of GDP in 1990/92 to 5 per cent of GDP in 1991/92. [figures as received]

The economic programme further calls for the public sector net domestic debt to decline by 4.1 per cent of GDP to facilitate credit expansion to the private sector. The savings of the public sector are also expected to rise to 9.5 percent of GDP. Lastly, the borrowing requirement of central government is programmed to increase by 1.3 per cent of GDP to 4.3 per cent in 1991/92. In addition to the standby arrangement, the IMF also approved for Jamaica a purchase of U.S. 20.7 million dollars under its compensatory and contingency financing facility.

It is the second tranche of the total amount of U.S. 47.5 million dollars made available to Jamaica to assist in meeting the gap in the balance of payments arising from oil import costs earlier this year and last year. The first drawing of U.S. 4.7 million dollars under this facility was made in February 1991.

Patterson said some interest had been expressed both in the IMF board and locally regarding Jamaica's exposure in respect of the use of Fund resources. As at May 31, 1991, Jamaica's outstanding credit from the IMF was U.S. 389.12 million dollars, he said.

"It is projected that by the end of June 1992, the total Fund credit to Jamaica would have been reduced to U.S. 368 million dollars," Patterson said, noting that "in order to reduce Jamaica's exposure to the Fund, we cannot, of course, be a net user of Fund resources."

He said repayments in respect of past credits now exceeded new credits received. "Although this denies the country the benefit of net additions to available foreign exchange use compared to previous years, it is considered to be in "our best interests to reduce our indebtedness to the Fund on a regular basis," he said.

Stressing that Fund resources will not be available for an indefinite period, Patterson said Jamaica needed to achieve a viability which would avoid the use of Fund resources as soon as possible.

He continued: "At the same time, we intend to depart from the present arrangements under which we are negotiating very short standbys and instead to secure longer term agreements on a more stable basis. For this reason, it is intended to approach the Fund to negotiate an extended Fund facility for a period of three years." The proposed extended Fund facility will seek to replace the existing standby programme.

"Jamaica's creditors and potential investors will then have the knowledge that the government has in place a medium term programme which has been agreed with the international financial institutions," Patterson said.

The first drawdown of U.S. 4.7 million dollars under the standby agreement will become available around mid-August and will be based on Jamaica's compliance with the first quarterly performance criteria at June 30, 1991. Patterson added that it would be some time before the final figures were available to validate the outcome of operations up to June 30, but at this stage "we have every reason for expecting that the figures will show compliance."

Ruling Favors Former JLP Deputy Leader

FL1307134691 Bridgetown CANA in English 2121 GMT 12 Jul 91

[Text] Kingston, Jamaica, July 12, CANA—Former government minister and sacked deputy leader of the Jamaica Labour Party [JLP], Pernal Charles on Friday scored a moral and legal victory over the JLP. A supreme court judge ruled that stripping him of party posts, and barring him from being a candidate for the party was an injustice and in breach of natural justice.

Mr. Justice Chester Orr ruled that the JLP had breached both the country's and the party's Constitutions when it dismissed Charles as a shadow cabinet minister. The court said Charles—who was dismissed as an alleged "gang of five" challenging the leadership of Edward Seaga—was not given an opportunity to defend himself. The court also claimed that the party did not carry out any system of affording Charles the right to defend himself against charges which were not even presented to him.

Charles told CANA that he thought the decision was one in favour of the democratic principles of both the country and the JLP. Asked what will happen with the JLP going into an annual conference on Saturday, Charles said he would not comment on that. Charles who was recently found to be second in popularity only to Edward Seaga in the JLP, has declined to contest leadership of the party.

The central executive of the JLP said the "gang of five" was trying to undermine the leadership of the JLP. Party officials said that they intended to contest the matter in the appeal court.

El Salvador

Cristiani Questioned on Cuba, Other Issues

PA1307001291 San Salvador Radio Cadena YSKL in Spanish 1711 GMT 12 Jul 91

[News conference by President Alfredo Cristiani with local and international reporters in the conference room of the Presidential Palace in San Salvador; moderated by Minister of Communications Mauricio Eduardo Sandoval—live]

[Text] [Sandoval] We will begin this news conference with a question by Jorge Barahona of TELEPRENSA.

[Barahona] Mr. President, the Costa Rican ambassador reported this morning that the Costa Rican Government [words indistinct] president for the coming presidential summit has proposed the reactivation of the Organization of Central American States [ODECA]. What do you have to say about this proposal?

[Cristiani] This idea, which has been under discussion for several months, stemmed from a concern by the Central American presidents about creating a permanent structure to follow up on the economic and political accords signed previously by the area presidents. It should be emphasized that ODECA's legal structure already exists and all that needs to be done is to modify it to the new Central American reality. So the idea has already been discussed and we support it. We think it is much better to have a permanent organization to follow up on the accords.

[Sandoval] Ernesto Rivas.

[Rivas] Good morning, Mr. President. [words indistinct] will propose to the Central American presidents for cooperation to end the war in our country.

[Cristiani] That is one of the topics for which we do not have a specific plan and one of the main political subjects pending a solution. We do not believe that there can peace in the region as long as there is conflict in a particular country. This is a general consensus. We believe that both the Salvadoran and Guatemalan conflicts will be the focus of the presidents' attention. The statement from the presidents will always be based on the outlook of the situation, for example, what the prospects are for peace. Whenever a statement about El Salvador is made, it will be signed by the other Central American presidents. The primary topic of the summit will be following up on previous accords. If you look at the activities of the ministers over the past few months, it is evident that there has been progress in this regard. On this particular occasion, we will see whether or not the presidents will ratify the economic, political, and social accords. New points of discussion will include ODECA. This will be the first time that an effort is made to create a permanent mechanism for following up on Central American accords. Some topics will concern foreign affairs. There is a request from (?FEDECRICA) that will be studied.

[Sandoval] Samuel Arias, TCS Television.

[Arias] Mr. President, the gunrunning of the Sandinists was also a major issue some time ago and it has been said that it would be discussed in the presidential summit. Does the country have a specific position on these actions, which the government claims are still going on?

[Cristiani] We have always explained that this is still taking place, but with a substantial variant, which is that it is not the Nicaraguan Government that is involved in it. It was not the case with the previous government in Nicaragua. In this regard, we have to mention that the Nicaraguan Government supports the peace process and it is not supporting the smuggling of weapons from Nicaragua to El Salvador. It is being done by unofficial sectors. Everyone more or less knows where it is coming from.

[Sandoval] Raul Beltran, Radio Cadena YSKL.

[Beltran] Mr. President, going back to your statements about the Nicaraguan case, are you saying that your government will demand that Mrs. Violeta Chamorro's administration increase surveillance and be more effective as a government; and if they do not, does it mean that they have no control over the Nicaraguan Army?

[Cristiani] I believe that we have asked, the word is asked, Mrs. Chamorro's administration to work harder at preventing gunrunning. The same request has been made to Honduras, urging it to make sure that this does not happen in its territory. I believe that they have both answered with specific actions in this case. I do not want to say whether the Nicaraguan Government controls the Army or not because every country has groups which do things that are not consistent with what the government wants. It is hard to prevent these things.

Nevertheless, I believe that the Nicaraguan Government is doing what it can to prevent this situation and we have no reason to make special demands. They know what happens and they are doing everything they can to prevent it. We hope that their efforts will continue.

[Sandoval] Jose Enrique Magana, Radio Cadena Cuscatlan.

[Magana] Mr. President, during a plenary session this morning, Deputy Raul Orlando Sandoval said that Democratic Convergence members are being harassed by the Armed Forces. The recent assassination of Martin Ayala Ramirez was also condemned, with right-wing military and political groups being blamed. What can the Armed Forces do about this?

[Cristiani] We are moving away from politics, but in Mr. Ayala's particular case I have ordered an investigation. From the very first moment, the crime commission has been searching for clues that could lead to the perpetrators. I believe that situations like this should be avoided; they should not be allowed to occur in the country when we are all trying to achieve the opposite, an end to every form of violence.

Regarding the deputy's remarks, I believe that while they may be significant, situations like these should be avoided because issues are overly politicized. To level accusations right and left just for the sake of doing so, to state names, to accuse the (?puritan) [laughs] political right wing, all of these are generalized accusations that are thrown at the people exclusively for political reasons. I believe that if we are to gain a little democratic culture, these types of random accusations, as the people say, should be a thing of the past.

Moreover, if members of any political party whatsoever believe that something is being held against them, the legislative assembly is not the place for them to voice their complaints. Mechanisms have already been discussed, even by the political parties, whereby solutions can be sought if there is something against them. This is what we have been doing for some time now. The point is that we must depoliticize these issues.

[Sandoval] Pablo Villacruz of [words indistinct].

[Villacruz] Mr. President, it would seem as if Cuba's domestic political situation and the war in El Salvador will be among the leading topics discussed at the Guadalajara summit. It would also seem as if some of the presidents are seeking methods of rapprochement that will allow them to take advantage of the meeting to generate specific agreements or to make some headway on these two issues. I would like to know if your government has considered the possibility of taking advantage of your stay in Guadalajara to have you meet directly with President Castro to discuss common interest issues, particularly the accusations leveled against the Cuban Government with regard to its having supplied the Salvadoran guerrillas with weapons?

[Cristiani] So far I have not received any document that includes these issues as topics for the Guadalajara summit. I have only be informed that four specific topics will be discussed, and they are the economic issue, the social issue, education and culture, and international law. No other specific topic will be discussed at the summit. With regard to whether or not we will seek a meeting with Fidel Castro, the answer is no. We are not going to avoid it, either. If he has something to say that can contribute to the end of the conflict in El Salvador, we are willing to listen. Castro and his government know very well what the position of El Salvador is regarding this case. I see no reason to seek a meeting to repeat our position, which he already knows. We have not requested and we do not plan to request a bilateral meeting, but if they are interested in a bilateral meeting and if they have a positive message to stop the conflict in El Salvador, we are willing to listen.

[Sandoval] [Name indistinct] of UNOMASUNO.

[Reporter] Mr. President, what will the Central American joint position be at the Ibero-American Summit? What does the region expect from Spain and Portugal?

[Sandoval] We have the president's reply here through YSKL.

[Cristiani] I do not think that at this Ibero-American Summit it is a matter of regional positions, however, there was a joint analysis of the work documents that we were sent. Also, we did make some joint observations of the document that will become the Guadalajara Declaration. Nevertheless, what is expected at the summit are the nation's individual positions on the issues that will be discussed. In this regard, even though a joint position will not be presented, the fact is that Central America is seeking integration and that through our communications, we have very definite objectives and common goals. I believe that even if each nation presented its positions, they will all be very similar.

As far as Spain and Portugal are concerned, if we are dealing with Ibero-American integration, these two nations are considered to be part of the Ibero-American community. Spain and Portugal are trying to organize this Ibero-American community. They are looking for greater rapprochement and more unity with the Latin American countries. For these two nations, it is an opportunity [words indistict] with a whole new hemisphere, and for this hemisphere this can also mean the opening of doors, for example, to the European Community. It has always been said that this could be Spain's role: to be Latin Americas' door to the EC.

It is obvious that the summit's goal is to obtain greater coordination and communication among the Ibero-American nations, always seeking common objectives.

[Sandoval] Cadena Radio Center reporter is back there. We are going to pass him the YSKL microphone.

[Cadena Radio Center Reporter] Mr. President, the Mexican protocol states that you will be sitting next to Fidel Castro. Will this put you in a more interesting situation, a little defensive [words indistinct]?

[Cristiani] I think that too much attention is being given to this issue. I understand that certain seating arrangements were designed according to protocol: one was in alphabetical order and the other was by drawing lots. Should Castro end up sitting next to me and have no problem with that, then I have no problem either. I do not see why this is something special. I do not know how he feels, but as far as I am concerned, I do not feel [changes thought] well... [changes thought again] I do not mind having Castro sitting next to me. Castro will have to hear what we have to say and we will hear what he has to say.

[Sandoval] Carlos [words indistinct].

[Reporter] Yesterday, a short meeting on the negotiations concluded in Mexico. What progress was made? Also, the FMLN [Farabundo Marti National Liberation Front] has declared a unilateral three-day peace truce during the Central American Presidential Summit. What do you think of this?

[Cristiani] Starting with the second part, I think it is a publicity stunt. It is an attempt to impress the presidents by giving them the idea that the FMLN controls what goes on here. Everyone knows that what we have here are terrorist actions and if they decide to stop them, well, that is fine. I think the presidents know what is going on here. They know the situation in El Salvador. Perhaps the Salvadorans will be the calmest because they will not have to withstand the bombings and events that threaten the civilian population so much. I think the situation is a publicity stunt designed to give the impression that they have more power than we do. No great strength is required to cause destruction.

Moreover, referring to the first part of the question, a short meeting was held and the Armed Forces issue was brought up. The commission members will not return until this afternoon and I do not have an official report. I understand that they continued to discuss the Armed Forces.

[Sandoval] Martin Lausen, REUTERS.

[Lausen] Mr. President, I want to know if you will ask the other Central American countries to request or sponsor the role of the United States as mediator in the peace talks? The second question is this: President Gorbachev's possible participation in the summit was mentioned months ago but I imagine he is not coming, right? I would like to know if [words indistinct] some way he could exert pressure on the Salvadoran guerrillas?

[Cristiani] First of all, we had not thought about asking the group of presidents who requested the UN's intervention to sponsor it, because they are the ones who originally agreed, in a resolution that was issued at San Isidro de Coronado, to request mediation by the United States. There is no need for that. They were the ones who requested it at the time.

Referring to President Gorbachev's possible visit to Central America, it was never planned to necessarily coincide with a summit. There was talk about inviting him to Central America but not specifically to the next summit. No invitation has been forwarded, at least not that we are aware of. The truth is that we have talked to Soviet representatives in the United Nations. Also, a Soviet Foreign Ministry official passed through El Salvador and we talked to him. I believe that the Soviet Union has reacted positively by not continuing to support or allow the possibility for the armed conflict to continue, and by supporting the peace process. We can also say that the Soviet Union played a circumstantial, but very important role, in getting the FMLN to return the surface-to-air missiles to the Sandinists, as they were the ones who [words indistinct]. Thus, we have had a positive reaction from the Soviet Union, but cannot say the same for the one who is nearer to us, on an island.

[Lausen] I understand that your government is not going to suggest to the other Central American presidents to include in the San Salvador Declaration some form of pressure on the FMLN to accelerate a cease fire agreement?

[Cristiani] We are only going to explain, as has always been requested and expected of us, how the peace process is proceeding. They in turn will decide what they want to say with respect to El Salvador. In this respect, I believe that this will obviously take place after they have listened to what the current state of the peace process is. Our government has never made suggestions nor tried to force the presidents to state anything. We have always appreciated the spontaneous support given by the Central American presidents to the peace process and to the efforts of the Salvadoran Government to achieve peace.

[Sandoval] At this time it would seem that the president is consulting with his adviser.

[Unidentified reporter] Mr. President, it was recently disclosed that last week you traveled to one of the countries which supports the peace dialogue. Also, it was recently disclosed that a document has been prepared by the head of state of a friendly country; I do not know which country that is, but the document suggests a peace proposal based on five conditions. We would like to know more about this document. Furthermore, it is being said that the five conditions have already been discussed at the negotiating table. Could you say more on these conditions, and who is the head of state that prepared this document and made the proposals?

[Cristiani] In the first place, I have not been authorized at this time by any of the friendly presidents to discuss or reveal their respective efforts. Eventually, each one will have to reveal his own contribution. In this respect, it is not the first time that the heads of states—not one, but four friends of the process—have tried to propose some ingredients that may bring an end to the violence. It is no surprise then, that this may occur, because they were called on to participate at least indirectly. They have never wanted to participate directly in the negotiating process, but they have made suggestions. They have done so in the past, and I imagine that they will continue doing so as long as the process continues.

[Unidentified reporter] Mr. President, first of all, how much truth is there behind reports that the investigative commission on criminal acts is investigating a special unit assigned to the First Brigade? Second, what can you say about the health of Major Roberto D'Aubuisson?

[Cristiani] Well, with respect to the first question, I do not have any information that the investigating commission has clues pointing to a special 1st Brigade unit. The last instruction given to them was to investigate the death of Mr. Ayala. Up to now, we have not received any further reports. They will probably get the basic facts on the event from Mr. Ayala's wife. They have been unable to question her due to her health condition. They are waiting for a better moment to obtain her testimony.

With respect to Major D'Aubuisson, I understand that he has returned to Houston to complete the chemotherapy treatment that he was undergoing. I also understand that there are at least three more weeks remaining for the treatment to conclude, and that he will returning to El Salvador.

[Sandoval] Pete [last name not given] of THE WASHINGTON POST.

[Pete] As it has been reported, the UN Observers Group for El Salvador [Onusal] group (?will come to this country on 16 July. There have been some threats against them, such as leaflets in the streets and somewhat aggressive editorials in pro-government party papers. What is the extent of the government's guaranteed protection for Onusal members who will work in the field?

[Cristiani] We want to tell the Onusal members that the government is determined to give them all the protection they require but we cannot force it on them. They know that the government is willing to provide the protection they require for their work. As I have said in the past, we condemn these threats. We believe that Onusal's role is to verify compliance with the accords that could arise as a result of the peace process. This is completely normal and there is no reason for anyone to say that they are coming for any different reason or that the United Nations is interfering. We have said that this participation does not constitute interference. They will be here only as a verification team. The UN Observers Group in Central America has been here for a long time. Now another group, Onusal, is coming here to confirm compliance with the accords. We have clearly expressed the government position on this matter and cannot prevent others from doing so. As for the threats, we have expressed the government's willingness to offer the needed protection.

[Sandoval] [name indistinct] of UPI.

[Reporter] I understand that you are not taking the FMLN truce seriously. Does this mean that the Armed Forces will continue offensive actions during the summit?

[Cristiani] First, I never said that the government had or had not taken it seriously. I simply said that it seemed to me that the truce was a publicity stunt to try to impress others. This is normal FMLN procedure. We did not agree on any truce. I understand, or I was informed because I do not hear Radio Venceremos, that the truce only applies to San Salvador. We do not carry out offensive actions in San Salvador. These are carried out in northern Chalatenango and Morazan and Usulutan, but not in San Salvador. The Armed Forces will continue their actions at a national level in this case.

[Sandoval] Martin Lausen, REUTERS.

[Lausen] Mr. President, I remember that no one asked you what you wanted them to ask you in a news conference that was held in this room prior to the elections. You had something to say and in the end you announced it because no one asked you about the issue. I want to ask you: Is there something you want to tell us? [laughter heard in the background]

[Cristiani] The news conference was held primarily because of the requests from the media to talk about the Guadalajara summit. That is why we are trying to discuss the issue. Things got mixed up and, well, it is done with. Nevertheless, an announcement was made a few days ago. We have been working with some members of the local and foreign media to find ways to facilitate their work in the country. The meetings have been held with the communications secretary, Mauricio, and I believe that the meetings have yielded positive results. We are willing to try and see how things work out.

The goal is to eliminate, effective 15 July, the safe-conducts needed to travel throughout the territory. We reached an agreement with the media representatives with whom we have worked and other measures will be implemented later on. We want it to be understood that the goal is to facilitate things so that you may cover the events; but the media must always understand that we are involved in a conflict and we do not like it when the foreign media holds us responsible whenever a journalist has an accident. We must both keep a balance and the plan will work indefinitely, if that balance is handled seriously. We are willing to give it a try, effective 15 July. This has nothing to do with the summit. The issue had been discussed before all this.

[Sandoval] Raul Beltran of YSKL.

[Beltran] Mr. President, [words indistinct] important news. The instructions include sanctions for unit commanders and chiefs who stop us from entering high-risk areas or areas of conflict, even if they know that the executive branch has issued the authorization and even if all the documents are in order.

[Cristiani] No, there are not punitive regulations that include sanctions. I repeat: It must be kept in mind that our situation is not normal. What we want to do is find ways to facilitate the media's work. We are sure that problems will arise, but we also know that the solutions to the problems should be sought in the same way that we have sought the methods. We know that variants may arise, but the goal is to find ways to facilitate things.

Referring to this, I believe that we have been able to work with the media and hope that we will continue to do so. Whenever we think that there is a problem we will call those with whom we have spoken and try to see what can be done. We hope that the same will be done if you come across a problem, but we cannot make regulations in which we issue sanctions. We will certainly investigate why certain situations occurred and we will try to prevent them in the future. It is a matter of doing things based on an agreement, rather than to.... [sentence ends as heard]

[Beltran] One of the paragraphs in [words indistinct]. I understand that in order to go to an area of conflict we must advise [words indistinct]. Then, when we arrive in the particular department, we have to go to either the detachment or brigade commander, but only to report on the situation. Does he have the authority to let us through or will he only be able to inform us about the general situation? Can he only tell us to go on at our own risk or can he stop us?

[Cristiani] I did not participate in the discussion that you mentioned. I think it is best to wait until you have a clear idea of the regulations, which have not been invented by the government. The regulations have been discussed with the various sectors and we think that the work can be distributed best this way. It can be started, even if the procedure is not familiar and some troublesome situations come up at the beginning. As we gain confidence in the system, we will be able to determine how to handle any new situations. What we are trying to avoid here is obvious: We are trying to avoid hampering anyone's work, while taking security into consideration. For instance, when strategic and tactical troop movements are occurring, we cannot permit the press to film what is being done. There might be times when a commander might say: Hold it. You cannot go there. In this case, the reason would be justified reason. I say that we try this for two weeks. Let us see how it works and if we can agree on further changes. The important thing is that we approach and view every problem positively. As with anything else, there are bound to be problems. There was almost a crisis with the EEC over the Central American clearinghouse. It was a good idea but it did not work and had to be changed. Something similar might happen in this particular instance. What I mean is that we should approach this problem from a positive viewpoint. We will have problems, but let us face them so that these activities can be permitted more frequently. I am sure that as we gradually develop and gain experience with a system like this, everything will start to flow smoothly. In other words, let us not try to cross the bridge before getting to it. Let us start with something. This is what we intended to do. Pete, do you have any other questions?

[Pete] If there are no more questions about the safe conducts, I have a question about another issue. Approximately one month ago, an arrest warrant was issued in connection with the Agricultural Bank fraud. The arrest warrant listed 21 persons. One of them has given a lot of money to the Arena [Nationalist Republican Alliance] party and, unless I am wrong, no one has been arrested yet. Why?

[Cristiani] Because as far as I know, they are all out of the country and the police will not go chasing them all over the place. [laughs] There is another reason that I believe is included in the case. There has been a request to revoke the arrest warrants against several of the 21 persons. If my memory does not fail me, I was told it has been requested for eight of them. In the opinion of the bank, those persons are not involved in any part of the fraud. This does not include any of the people who received credits from the bank. Instead, I understand it involves the bank's employees or officials. The bank feels that they are not responsible and requested that the arrest warrants be revoked. In this case, we are waiting for the judge's ruling, because if the bank says it does not feel affected by eight of the 21 persons, we do not think it is appropriate to send them to jail, discredit them, and cause an uproar. Perhaps it was a mistake by the judge and can later be corrected; but if it is not corrected and if the judge decides that the request is groundless and that the arrest warrant stands, well...

[Pete] [Words indistinct] how could these persons possibly leave the country when an arrest warrant was issued against them?

[Cristiani] Because arrest warrants are usually announced to the public first and then the orders are sent to the security corps. This, unfortunately, always allows those involved in the case to vanish from the country. There is always a lapse of time, sometimes too long, between the moment the announcement is made—or when the media picks up the news from the court and anounces it—and the moment when the security corps officially receive the judge's order. The security corps cannot act in the meantime. I do not know if that is the reason in this case, and I do not know if some of them were already out of the country. I understand that some of the persons involved are no longer living in the country, but I believe it is not a matter of trying to hide things. Whoever deserves to be punished will be punished. We will defend no one.

The issue regarding.... [changes thought] there have been some insinuations that because these persons have made contributions to Arena....[changes thought] I believe that our government has given ample proof that even people who have made contributions can be sent to jail. We have also investigated party officials and members so I would not like to create the impression that nothing will be done against those who make contributions. Whoever violates the law will have to answer for his actions, no matter who he is—even if he is my personal friend. But if he is not guilty, we will not take action against him.

[Pete] I also have a question regarding Major Roberto D'Aubuisson's health. It is a hypothetical question. He has been a source of [word indistinct] within Arena. If, hypothetically speaking, he dies, who would assume his role within the party?

[Cristiani] The party will have to decide that.

[Sandoval] Thank you, Mr. President.

[Cristiani continues] Leadership must be earned.

[Pete] There are a lot of rumors that you support Mr. Roberto Llach as your successor. Is there any truth to this rumor?

[Cristiani] That is completely untrue, although I believe that Mr. Llach is a great person—but I am not supporting anyone. [laughs] The leadership within a political party is not imposed on the political party. The party decides on its leadership.

[Sandoval] Thank you. Mr. President.

Government Issues Communique on Press Mobility

PA1207224291 San Salvador Radio Cadena YSU in Spanish 1800 GMT 12 Jul 91

["Communique" and "attached guidelines" issued by the Salvadoran Government on press corp mobility in San Salvador on 12 July; read by announcer—live]

[Text] The government of El Salvador hereby notifies the national and international press that as of 15 July, the regulation requiring the press to display a safe conduct pass to transit national territory, specifically through areas of [word indistinct] terrorists, will no longer be in effect.

National and international journalists will have free access to all national territory, within the framework of the provisions established in the attached guidelines, which were prepared jointly by government representatives and interested members of the national and international press.

The guidelines include administrative procedures and some universal principles that regulate journalistic ethics with the aim of contributing to the constant professionalism demonstrated by the press in El Salvador.

Through these measures, the Government of El Salvador intends to facilitate the mission of the press corps in the country so that the Salvadoran reality may be truthfully and objectively disseminated throughout the national and international community.
Dated 12 July 1991

With respect to the procedures to follow related to mobility within the national territory, the guidelines stipulate the following:

National and international journalists will have free access to all national territory within the framework of the following norms:

1. National and international journalists will be able to pass military or police blockades subject to the display of their respective media identification pass and SENCO (National Communications Secretariat) license.

2. Within the universal codes regulating the practice of journalism, while exercising their profession, journalists will try:

A. To balance the press transmission or publication of those facts that tend to increase the level of violence.

B. Not to stimulate war or incite violence.

C. Not to provide any military information that may be used to prepare strategies.

D. Not to provide transportation facilities for armed persons.

E. Not to evacuate wounded combat personnel.

3. Journalists will avoid, as much as possible, to allow the news material that they prepare to be used for publicity and propaganda purposes by third parties.

4. Journalists will not allow persons unrelated to the media to join the press pool to gain acces to areas where there is an event taking place or is about to take place.

5. Journalists will notify SENCO of the place or places where they may wish to go. Once in the area, they must notify the military commander to ensure some degree of safety in the military zone.

6. Journalists will move around areas under military conflict voluntarily and at their own risk, and also [words indistinct].

FMLN-Government Negotiations End, No Agreement

PA1207143191 Mexico City NOTIMEX in Spanish 0221 GMT 12 Jul 91

[Text] Mexico City, 11 Jul (NOTIMEX)—The Salvadoran guerrillas announced here today that they would suspend military actions in San Salvador between 15 and 17 July "as a gesture of political goodwill" toward the meeting of Central American presidents.

At the end of the three-day round of negotiations between representatives of the government and the Salvadoran rebels, which took place in a hotel in the Mexican capital, Commander Leonel Gonzalez of the Farabundo Marti National Liberation Front (FMLN) stated: "We hope that a resolution favoring this negotiating process is issued at the Central American summit."

Gonzalez also said that some progress was made on the Armed Forces issue during this round of talks, but no agreements were reached because this was a preliminary and working meeting.

During this round of talks, Gonzalez explained, the guerrillas made proposals on socioeconomic issues, and the government of President Alfredo Cristiani pledged to consider them.

Gonzalez said that the government and rebel representatives also discussed the political activity of the FMLN prior to the attainment of the cease-fire. In this regard, he continued, the government maintains its viewpoint and the negotiations will continue in the future.

Gonzalez, one of the five general commanders of the FMLN, stressed that the Ibero-American summit, which will take place in Guadalajara, Mexico, on 18 and 19 July could strengthen the negotiating process in his country.

The FMLN commander claimed that "the negotiating process is making progress although no specific agreements have been reached. Progress has been made on some basic issues."

Meanwhile, UN mediator Alvaro De Soto said that "some specific progress was made, but nothing spectacular. There is no turning back, the progress made is important," he reiterated.

The UN representative refused to comment on the progress made and stated that "the parties are working on a plan which is difficult to explain."

De Soto stated that the Ibero-American summit will provide a good opportunity for UN Secretary General Javier Perez de Cuellar to report on the talks and jointly assess the direction of the peace process to give it more momentum." [no opening quotation marks as received]

De Soto said that there will not be formal declarations within the framework of the summit of Latin American heads of state and presidents in Guadalajara, in the western Mexican state of Jalisco.

The government delegation led by Presidency Minister Oscar Santamaria refused to make comments after the meetings, which ended tonight in Mexico City.

Roundup of Clashes Between Army, Rebels

Fighting Near San Salvador

PA1507005491 Paris AFP in Spanish 0013 GMT 15 Jul 91

[Text] San Salvador, 14 Jul (AFP)—Heavy fighting between the Salvadoran Army and the guerrillas broke out this afternoon only 15 km north of this capital, just a few hours before the opening of a meeting of Central American presidents.

The fighting is taking place in San Jose Las Flores, a heavily populated district north of San Salvador, where rebel forces entered on 12 July, inflicting three dead and several wounded on the Army.

Members of the Red Cross and other rescue groups said they had reports from local residents who indicated that there is heavy fighting and that the guerrillas control some of the district.

Army sources admitted the outbreak of heavy fighting in San Jose Las Flores on Sunday afternoon, and they indicated that traffic on the northern trunk highway has been temporarily halted. They said they were unaware of casualties.

On the night of 13 July, the Army and the guerrillas were involved in heavy fighting on Guazapa hill, located in the same area, only 24 km from San Salvador. Rebels also used explosives to attack a police patrol in the capital.

The Farabundo Marti National Liberation Front (FMLN) has announced a three-day truce in the capital beginning on 15 July, on the occasion of the Central American presidential summit.

Army spokesmen reported that two soldiers of the 2d Military Detachment were killed early on the morning of 14 July during a guerrilla attack on soldiers guarding the Cinco de Noviembre hydroelectric plant in Sensuntepeque, northwest of San Salvador.

Army Casualties Reported

PA1407030291 (Clandestine) Radio Venceremos in Spanish to El Salvador 0035 GMT 14 Jul 91

["Report" issued by the Southeastern Front Command of the National Army for Democracy, END, on 13 July; read by END Commander Mario Alberto Mijango]

[Text] At 1700 on 12 July, National Army for Democracy [END] units initiated a military maneuver called "Captain Dimas and Lieutenant Rexona, by achieving a democratic society we will avenge your blood." This maneuver was directed against the Atonal Battalion in the general area of San Francisco Javier and San Agustin in Usulutan Department.

At the time of this report, our maneuver, marked by intense clashes, has been under way for 23 hours and is still in progress. So far, we have reduced the number of the Atonal Battalion's troops. Preliminary reports reveal that the Army has suffered 60 casualties, including wounded and dead, which is equivalent to forcing one of that battalion's five companies out of combat.

The intensity of the clashes has gradually increased as a result of the enemy command's profound desperation. In its effort to prevent the total annihilation of its units, the Atonal Battalion has resorted to the use of support weapons, including three 105-mm howitzers, which were fired from the cotton production cooperative on the turn-off to Jiquilisco and from the San Marcos Lempa bridge; they have fired approximately 150 shells. They also fired an 81-mm mortar from San Agustin, and a 120-mm from Berlin. The Army has also fired indiscriminately, and many shots have entered San Francisco Javier and other densely populated areas in the vicinity. It is said that this indiscriminate fire has caused many civilian victims. [Words indistinct], two A-37 Salvadoran Air Force airplanes have participated.

As for the Farabundo Marti National Liberation Front, in this successful maneuver only two comrades have been slightly wounded.

If the Armed Forces want our weapons, they must win the war.

[Signed] Southeastern Front Command
Third Military Region of the National Army for Democracy

More Casualties Reported

PA1407034091 (Clandestine) Radio Venceremos in Spanish to El Salvador 0046 GMT 14 Jul 91

["Report" issued by the Joint Command of the Anastacio Aquino Paracentral Front of the National Army for Democracy on 13 July; read by station announcer]

[Text] On 12 July, National Army for Democracy [END] units successfully conducted a maneuver within the framework of the FMLN's [Farabundo Marti National Liberation Front] nationwide campaign, "If the Armed Forces want our weapons, they must win the war."

At 0600 on 12 July, special END artillery units used cannons and machine guns to attack the 5th Infantry Brigade's headquarters in downtown San Vicente. Immediately after, other END forces staged an attack on the Jiboa, Tehuacan, and Canas Battalions of the 5th Infantry Brigade, which were posted in the vicinity of San Vicente, [word indistinct], Miramar, Primavera, and the Amapulapa watering place located 1.5 km from the 5th Brigade headquarters. The END also clashed with Canas Battalion units and commandos. All of these clashes lasted until 1300 on 12 July.

As a result of the maneuvers, 24 troops were killed and 40 wounded, including an officer. One soldier, Enrique Melvin Cruz Giron, age 16, from La Pedrera hamlet within the jurisdiction of Sacatecoluca, La Paz Department, was taken as a prisoner of war. Cruz Giron belonged to the Jiboa Battalion's 4th Company.

The following war materiel was recovered: one PRC-77 military communications radio, two M-60 machine guns, 10 cartridge belts for the machine guns, six M-16 rifles, eight complete outfits, nine knapsacks, a considerable amount of ammunition, and other war materiel.

For our part, we must regret the heroic and glorious fall in combat of three END comrades. They are END Officer Vladimir, Comrades Enriquez, and Douglas.

This maneuver is dedicated to Comrade Commander Camilo Turcios, who was killed on 29 June during a cowardly ambush set by the 5th Infantry Brigade.
[Signed] Joint Command of the Anastacio Aquino Paracentral Front

Rebels Ambush Truck

PA1507045091 Paris AFP in Spanish 0359 GMT 13 Jul 91

[Report by Arturo Gudino]

[Text] San Jose La Flores, El Salvador, 12 Jul (AFP)—Today, more than 100 guerrilla fighters seized the town of San Jose Las Flores, 15 km north of the capital, and press correspondents were able to confirm that fierce clashes occurred there this afternoon.

Farabundo Marti National Liberation Front (FMLN) guerrilla fighters seized the town, population 15,000, at 1330 (1930 GMT) after ambushing an Army truck on the Northern Highway, approximately 2 km from the town.

The journalists were able to observe the bodies of two soldiers, one of them shot through the heart and the other one shot in the head—both targets of a sniper who shot them with a high-caliber Dragonov rifle.

The bodies of the soldiers, whose uniforms were covered with blood and whose faces showed a grimace of pain, were deposited on a truck that carried them to the capital.

Following the ambush the rebels continued their march toward San Jose Las Flores, a typical Salvadoran town of humble abodes, where they seized the government offices.

Commander Ivan, a young 27-year-old man from the capital who left the university classrooms 10 years ago to join the rebels, picked up a telephone at the ANTEL (National Administration for Telecommunications) and contacted radio stations to announce the town's seizure.

"This is Commander Ivan of the FMLN speaking, to announce that San Jose Las Flores is in our hands," the fighter said after he established contact with one of the local radio stations.

Commander Ivan told AFP that the purpose of the nationwide military actions this week are only intended to "pressure the Army and the government into understanding that peace can be attained only through negotiation."

"We will surely leave from here at dusk," Ivan said, looking in the direction of San Jose Las Flores hills, the guerrillas' natural corridor to move to their camps located on Cerro Guazapa, approximately 24 km north of the capital, where one of the leading FMLN bastions is located.

While Ivan talked with the reporters, furious shooting broke out some 600 meters away on the slopes of the hills surrounding the town. The Army had started to advance, but the guerrillas repelled the soldiers with their Dragunov and AK-47 rifles from the positions on the hills. Approximately at 1730, the government troops were about 100 meters from the rebels' positions. The guerrillas—said some of their spokesmen—only waited for darkness to withdraw to Cerro Guazapa.

"We will leave today but the war will continue. We will keep our arms as long as there is no democracy and social injustice persists," Ivan had said a short while earlier. His only brother, 24 years old, was killed in combat 22 days ago during the storming of the Mariona maximum security prison, when more than 30 political prisoners were released.

Casualties in Operations Cited

PA1207181791 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 12 Jul 91

[Text] We are reporting today, 11 July 1991, that we have inflicted 151 [as heard] casualties during our recent operation. Let us break down the figures by department.

We are going to begin with the departments located in the Modesto Ramirez Central Front. We inflicted 141 casualties in Chalatenango, where the largest number of casualties were inflicted; 38 so far in San Salvador, where the second largest number of casualties were inflicted; 26 casualties in Cuscatlan; and 13 in La Libertad.

Let us now go to the Francisco Sanchez Eastern Front. We inflicted 42 casualties in Usulutan Department, the largest number of casualties inflicted on that front. We inflicted 32 casualties in Morazan, and 10 in San Miguel.

The total number of casualties reported to this radio station is 302 casualties, in seven out of the country's 14 departments. This casualty toll includes four officers, namely, three lieutenants and one captain; and eight noncommissioned officers.

On our side, we report the heroic death of five National Army for Democracy fighters. Two of them fell in Chalatenango during the successful operation conducted in Nueva Concepcion; two were killed in La Libertad during a clash with the Cetipol [police instruction center] and artillery; and one more fell in Morazan.

These are the results of our nationwide operation "If the Armed Forces wants our weapons, let them win them in the war."

Military Operations Summarized

PA1107000491 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 10 Jul 91

[Text] Forces of the National Army for Democracy [END] launched the "Commanders Jesus Rojas and Camilo Turcios We Fight to Step up the National Democratization and to Reject the Unilateral Demobilization of the FMLN [Farabundo Marti National Liberation]" Operation today at 0400 today. The operation began with attacks on positions of the National Police, 4th Infantry Brigade, and 2d Infantry Brigade in Nueva Concepcion, the second most important city in Chalatenango Department. Preliminary reports from the clashes indicate that several enemy positions had been evacuated in the morning, while several enemy casualties were reported, including one lieutenant, one sergeant, and one radio operator. At 1100 our forces reported the recovery of three G-3 rifles with their respective kits, and one PRC-77 military communication radio. Our forces at the site of the clashes have emphasized the enemy troops' complete demoralization, to the point that they have dressed as women to flee the clashes. We are still waiting for the official report on these military actions.

Information from Chalatenango adds that early this morning END forces seized control of the towns of La Palma, San Ignacio, San Francisco Morazan, Agua Caliente, and a long portion of the Northern Highway. Fighting against Treasury Police forces began at 1030 today at the town of San Ignacio, when they tried to recover control of the town. Fierce clashes have occurred since 1030 between END forces and the Treasury Police in the towns of Agua Caliente, La Palma, and Canton Ocotal, Dulce Nombre de Maria jurisdiction. The fighting in Canton Ocotal was carried out against 4th Infantry Brigade troops. Referring to the military actions in Chalatenango Department, we have reports that clashes began at 0755 today against troops of the 2d Infantry Brigade, which tried to reinforce the National Police troops and other troops under attack in Nueva Concepcion. Also, fighting began at 0800 between END fighters and an enemy patrol that was left behind in Canton Obrajuelo, Agua Caliente jurisdiction.

The Arce Battalion was beaten up in northern San Miguel Department because territories under our control must be respected. Fierce fighting began in northern San Miguel Department when Arce Battalion troops entered territory that does not belong to them. Only the people organized in the END can and should be in that area. A captain of the Arce Battalion is reported among the casualties inflicted on the so-called special forces. The report says that END forces today attacked Arce Battalion companies at 0830, near Canton El Rosario and Canton Portillo, near San Jeronimo, San Gerardo jurisdiction, San Miguel Department. As a result of the attacks, the Arce Battalion sustained one dead and six wounded. The wounded include a captain who lead an Arce Battalion squad. It is appropriate to mention that the enemy's two companies we attacked were reinforced with two other companies that were located in the area of San Luis de la Reina, to allow the evacuation of casualties to the town of San Gerardo. We report that one of our comrades was wounded in the actions. The report adds that END troops clashed with the enemy today at 1100 near the village of Cantarranas, San Gerardo jurisdiction, San Miguel Department; the enemy sustained three wounded. We report no problems on our side, and the Arce Battalion sustained 10 casualties in that department.

We have additional military information. We have reports sent from Morazan Department revealing that the 4th Military Detachment has sustained at least 32 casualties in the actions that were carried out in the area of Cacaopera, important war materiel has been seized.

We now give you details of the information received from the Modesto Ramirez Front: El Angel Mill, located in Apopa, has been partially destroyed. The report says that at 2230 on 8 July END forces attacked 1st Infantry Brigade positions that were protecting El Angel Mill, in the city of Apopa. The mill's infrastructure was partially destroyed and the enemy forces sustained seven casualties. Simultaneously, our forces seized control of the highway to Quezaltepeque, near the turn-off to Mariona.

Vehicles were used as roadblocks and one electric pole was downed. A helicopter arrived 30 minutes later and indiscriminately strafed and launched rockets on villages and neighborhoods located near the mill. Furthermore, between 0400 and 0700 we seized control of a section of the Northern Highway—between km 21 and the Guaycupe bridge. Our units are still in that place. Clashes have also occurred on the road to San Martin and END troops have been mobilized in the area.

Guatemala

Paper Asked To Clarify President's Remarks

PA1207175191 Guatemala City SIGLO VEINTIUNO in Spanish 11 Jul 91 p 3

[Letter by Gonzalo Asturias Montenegro, presidential secretary for public relations, to the SIGLO VEINTIUNO director in Guatemala City; no date given]

[Text] Dear Mr. Director: I am hereby asking you to clarify President Jorge Serrano Elias' remarks during a press conference on Tuesday, when he announced the implementation of the Immediate Tranquillity for the Population [TIP] plan, which your important newspaper reported on.

The president of the Republic never said that he did not care about what foreigners had to say about human rights. Quite the contrary, the president vigorously expressed his respect for human rights, pointed out the progress attained in the investigation of specific cases, such as those involving Devine and Myrna Mack, and underlined his determination to keep trying to put an end to impunity in the country.

It was only in another context, that of national dignity and the need for Guatemalans to solve their own problems, rather than let others do it for them, that President Serrano said he could not care less about what others abroad might have to say.

Consequently, at no time did he refer to human rights, but to the violation of our dignity.

I would appreciate it if you would publish this letter.

Yours truly,
[Signed] Gonzalo Asturias Montenegro.

Investigation of German Citizen's Murder Requested

PA1507041791 Mexico City NOTIMEX in Spanish 2016 GMT 14 Jul 91

[Text] Guatemala City, 14 Jul (NOTIMEX)—German citizen Horst Wischerath, age 26, was murdered on Friday, 12 July, by a group of unidentified people in the Department of Solola, 140 km west of the Guatemalan capital.

The local police reported that Wischerath was visiting the Atitlan Lake lookout when he was attacked by unidentified people who were carrying firearms and had their faces covered with woolen caps.

The young man, who had been working for the Siemens firm in Guatemala for the past four years, was accompanied by his uncle, Paul Tresia, and Eva de Rodas, the press attache at the German Embassy in Guatemala.

Rodas said the three had gone to the site to take pictures when four unidentified people caught them by surprise and pointed at them with their firearms.

The German technician brought one of his hands to his pocket to give them money, but the criminals shot and seriously wounded him. According to the medical report, the victim died as a result of a bullet that damaged his heart, liver, and lungs.

The press attache of the German Embassy said the criminals stole Wischerath's camera and the luggage that was inside the vehicle.

The German Embassy condemned the incident and will ask the government of President Jorge Serrano to initiate an extensive investigation to locate those responsible.

* Human Rights, Labor Leaders Threatened

* DC Leader Threatened

91CA0160A Guatemala City EL GRAFICO in Spanish 14 May 91 p 55

[Text] ENFOPRENSA—While the new minister of government has given assurance that the security forces are being "rigorous" in their actions, but they are "based on the law," the disappearance of another 10 individuals in recent days has raised the number of such cases during the government term of President Jorge Serrano Elias to 35, it was announced today.

The arrest-disappearance incidents have occurred in various departments and in the capital city. The victims include men and women, as well as children and old people.

With regard to extrajudicial executions, it has been reported that three persons were shot and killed by the methods characteristic of the "death squads" in the southern departments of Escuintla and Santa Rosa.

At the same time, Christian democratic leader Marco Tulio Dieguez has reported receiving death threats, as have union employees at the Ministry of Public Works in Escuintla.

Dieguez, who has run for a deputy's seat in past elections, revealed that he began to receive the threats two months ago. Curiously enough, that was when he began to criticize the attitudes of leaders high in his party, he noted.

* PSD Leader Flees

91CA0160B Guatemala City PRENSA LIBRE in Spanish 14 May 91 p 4

[Text] Luis Armando Zurita Tablada, the former candidate of the Democratic Socialist Party (PSD) for the vice presidency of the Republic, left our national territory with his family yesterday to seek asylum in Canada, according to reports received at our editorial offices.

This leader of the Democratic Socialist Party and member of the Democratic Convergence said he made the decision to leave the country because he has been the victim of persecution and death threats.

The harassment of Zurita Tablada began at almost the same time as the assassination of Dinora Perez, also a member of the Democratic Convergence, it was learned yesterday.

The former candidate for the vice presidency participated in the 1985 political campaign from which Marco Vinicio Cerezo emerged the winner. Just moments before his departure, he said he had been the victim of an attack at his home at 1400 on Sunday.

* CGTG Leaders Threatened

91CA0160C Guatemala City SIGLO VEINTIUNO in Spanish 14 May 91 p 6

[Text] Jesus Miranda, the deputy secretary general of the General Confederation of Guatemalan Workers (CGTG), charged yesterday that in the course of last week, the death threats delivered by telephone to leaders of that organization increased.

He explained that in recent days, more than 30 calls have been received both at the union headquarters and at the residences of the union leaders.

"Those making the telephone calls have told us that we are meddling in serious problems, and that 'these threats are the last warning, and are serious,'" Miranda explained.

This trade-union leader said that the threats increased after the organization issued statements about the higher electricity rate, the plan to issue bonds in the amount of 700 million quetzales, and in particular, the statements condemning the assassinations of Dinora Perez, Anacleto Maza Castellanos, and Moises Cisneros, a religious brother.

"These telephone calls worry us, particularly because the government has conducted itself with indifference to the political assassinations committed in recent weeks," Miranda added.

He explained that the cases mentioned above are only some of those which have occurred in the country, because regrettably, many go unnoticed.

Further on the subject of the intimidating telephone calls, Miranda explained that the unknown callers have instructed the union leaders to cease their participation in the Social Pact.

When asked about the possible source of the calls, this trade-union leader said that the callers are members of obscurantist groups like those which sought to close off the limited political space existing in the country at the beginning of the decade of the 1980s.

* Leader Flees Country

91CA0160D Guatemala City PRENSA LIBRE in Spanish 15 May 91 p 2

[Text] Doris Arriaza, a trade-union leader in the Office of the Controller of Accounts, left the country yesterday because of an attempt by several individuals to kidnap her a few days ago in a city neighborhood, leaders of the National Federation of Guatemalan Workers (Fenasteg) confirmed yesterday.

The spokesman for that trade-union body, Edgar Batres, said that Arriaza departed for the United States yesterday, because in addition to the attempts to kidnap her, she has received telephoned death threats on numerous occasions.

Batres spoke to the press at the National Palace at the conclusion of a meeting he and various other Fenasteg leaders had with the minister of labor and social security to submit wage-increase demands and to protest the continuing threats trade-union leaders are receiving.

Batres emphasized that the Fenasteg wants a dialogue with President Serrano Elias, rather than the adoption of de facto measures. However, he noted, the possibility of a strike movement if the government does not heed the union's demands has not been dismissed.

The Fenasteg leader expressed his disagreement with the statements made by the Secretary General of the Presidency Manuel Conde Orellana, who said that the seemingly political violence is being provoked by the drug traffickers.

* Popular Leaders Threatened

91CA0160E Guatemala City SIGLO VEINTIUNO in Spanish 15 May 91 p 6

[Text] Ninety percent of the trade-union and popular leaders in the country are receiving death threats. And there are even specific cases in which they have been given deadlines for leaving the country, and some have already been the target of criminal attacks, the Trade-Union Unity of Guatemalan Workers (Unsitragua) announced yesterday.

Byron Morales and Hugo Morales, who are members of that organization's executive committee and of the Unity of Trade Unions and Popular Action (UASP), condemned and rejected "the violations of human rights which have increased alarmingly in the country during

the present government's term of office, and have been reflected in unbridled political violence." They cited such cases as the murder of the trade-union adviser and popular leader Dinora Perez and the monk Moises Cisneros, and more recently, the reluctant exile of social democratic leader Luis Armando Zurita Tablada, who was forced by the threats received to leave the country in order to save his life.

"The pressures against the political, trade-union, and popular sectors have reached such an extreme that we are subject to surveillance and intimidation. An example is the threats made against our comrades Byron Morales and Sergio Guzman, who were given 72 hours to leave the country," Hugo Morales went on to say.

The situation is similar for the leaders of the CUSG [Confederation of Trade-Union Unity of Guatemala], CGTG [General Confederation of Guatemalan Workers], Conavigua [National Guatemalan Widows' Coordination Council], CUC [Peasant Unity Committee], Fenasteg [National Federation of Guatemalan State Workers' Unions], CEEM [Coordinating Board for Secondary School Students], AEU [Association of University Students], GAM [Mutual Support Group], CERJ [Runujel Junam Council of Ethnic Communities], STEG [expansion unknown], Unsitr;gua, and in general, the UASP. All "have clearly condemned the coercion, surveillance, persecution, and violent acts, which have in the end put us in constant danger. We are do not make our judgment on the basis of mere conjecture, but rather the evidence that repression is again taking control in Guatemala," Byron Morales warned.

Minister's Resignation Sought

"We have appealed to Dr. Mario Solorzano Martinez to resign from the government, if he still has some small moral commitment to the group of social democratic comrades which he headed as a political-ideological movement at one time," the secretary general of the Union of Court Workers (STOJ) announced.

He added that "we profoundly regret that a wave of terror like those which characterized the military regimes is sweeping over the country again. This is undermining the credibility of the peace efforts which have been pursued through dialogue, and which should involve all representative sectors."

The STOJ put the responsibility for the security of Guatemalan citizens in general on Engineer Serrano Elias as the "constitutional president," adding that "it is the death squads which are causing this disturbance by their actions, for which reason the chief executive should take it upon himself to disband them."

Red Cross Union

Dr. Gabriel Salazar, a member of the Guatemalan Red Cross Workers' Union, condemned the wave of violence and the Zurita crime, which have occurred "at a time when we are supposedly living in a state of law, but in which, instead, repression, coercion, and intimidation by obscurantist groups with no respect for intelligence prevail."

He said that not only is the government losing credibility because of the existing situation, but so are the Attorney's Office for Human Rights, the Supreme Court of Justice, and the entire court system. It is therefore urgent that those who are promoting this violence abandon their attempts to keep Guatemala subject to desperation.

Nation Regressing

"Those of us Guatemalans who are aware cannot deny that political violence has increased in the country. It is regrettable for leaders of any ideology to have to go into exile. We are now taking a great step toward, or embarking upon, a regression to the decade of the 1980s," Attorney General for Human Rights Ramiro de Leon Carpio stated.

He attributed these attacks "to groups which do not want peace. All of us who play an important role in Guatemala are moving forward, but there are also those who are motivated solely by the desire to create chaos, both nationally and internationally."

"There is a marked resurgence of ordinary, political, and anti-government violence as a result of the past problems of a socioeconomic nature. And those who cannot see this are blind or do not want to recognize it," he emphasized.

Repression and Terror

The National Federation of Guatemalan State Workers' Unions, through its secretary general, Armando Sanchez, said that "obscurantist groups with regressive and criminal tendencies are responsible for the increased violence in the country."

This leader added that "the incipient democratic process the government is promoting cannot be strengthened while these criminal groups continue to use the mechanisms of repression and terror against the democratic sectors of the country."

CGTJ Official Comments

"The dark and bloody eras of the past are being reborn in our country, and this is regrettable, since this is not the way in which the social, economic, and political problems can be resolved," Jose Pinzon, secretary general of the General Confederation of Guatemalan Workers, commented.

"The level of violence to which our country is being subjected is worrisome, above all because once again it threatens the stability and safety of the Guatemalan citizens who have a role to play within the complex of national problems, and who are seeking the well-being of the majority of the people, in one way or another," he emphasized.

Extreme Right-Wing Groups

"The organizations on the extreme right are developing once again within the national context, as is demonstrated by the increase in assassinations, persecution, and threats against people in the so-called left wing, whose only sin is opposing social injustice and acting openly," Juan Francisco Alfaro Mijangos, secretary general of the Confederation of Trade-Union Unity of Guatemala, said.

"The people are wondering if we are returning to the levels of violence which developed between 1978 and 1982, during which the various sectors of the population were the victims of harassment, threats, and death," he said in conclusion.

* Unions Demand 'Guarantees'

91CA0160F Guatemala City SIGLO VEINTIUNO in Spanish 17 May 91 p 3

[Text] The trade-union and popular organizations are seeking a special audience with President Jorge Serrano Elias. They want to meet with him next week, at the latest, in order to bring to his attention "the serious lack of security existing in the country, and to demand individual guarantees for the leadership and the people in general."

This was announced yesterday afternoon by Rudy Ramirez, a member of the executive committee of the National Federation of Guatemalan State Workers' Unions (Fenasteg), who emphasized that "the state, by constitutional order, is the guarantor of the safety, lives, and possessions of the citizens of Guatemala in general."

In this connection, he stated that the chief executive will be asked to "see that the leadership—trade-union, as well as popular and political—is provided with minimal guarantees for the development of their respective fields of activities, since there is fear of the unbridled repression which is afflicting the various sectors in the country nowadays."

Leaders Threatened, Watched

Ramirez announced that an effort is being made to arrange a personal meeting with the president of the Republic in order "to set forth to him the problem of repression," of which has there has been a resurgence on various levels and in various sectors in recent months.

"There is, for example, the case of Comrade Armando Sanchez, the secretary general of the Fenasteg, who has been subjected to the classic problems of intimidation, threats, anonymous telephone calls, and even bold surveillance by suspicious men in vehicles parked near his residence," he emphasized.

He commented that "other trade-union, popular, and political leaders are receiving mysterious telephone calls. However, the majority of us now regard these calls as a normal thing, something to which we have almost become accustomed. But now the fear is on the rise again, following the forced exile of leaders such as Luis Zurita and his comrades in United Guatemala."

The Fenasteg leader emphasized that there is increasing demand that "repression cease," and that despite this phenomenon which it was believed had been put behind us, "we in the trade-union and popular organizations confirm our support of the efforts to ensure total domestic peace." The Fenasteg will in the near future look into the possibility of meeting with the authorities at the Ministries of Defense and Government to inform them of the apprehension among the working class, the peasantry, and the people in general with regard to the indiscriminate resurgence of violent and criminal actions.

Wage Adjustment Needed

Also, Rudy Ramirez said that " we are urging the workers in general not to become discouraged in their just demands for substantial improvements in the conditions of life, and to the government and employers of the country to begin to respect the right to work, to a dignified life, and to safety for the worker."

In support of these concepts, the leaders will present the chief executive with another document during their meeting on the presidential level. Their purpose is to show him that the wage policy of the state is not consistent with the levels of inflation and the high cost of living, and that there is an urgent need for a minimal wage adjustment of 300 quetzales for each government employee, as well as those in the private sector.

"We will deliver to President Serrano a letter of solidarity sent to the Fenasteg by nine organizations in Central America, Panama, and the Dominican Republic supporting our demands for wage increases, labor stability, and the right to free union organization. This will be done in the hope that through dialogue beginning immediately, it will be possible to achieve a definitive agreement between the government and this federation, as well as to guarantee the lives and safety of the leaders of this federation," Ramirez said.

* Violence Threatens Labor

91CA0160G Guatemala City EL GRAFICO in Spanish 16 May 91 p 8

[Text] Although some government authorities insist on trying to minimize the situation, the threats made against trade-union and political leaders in the leftist democratic sector have caused doubt and anguish within the Guatemalan family. It is absurd that in an attempt to create a false image of calm, stability, and democracy abroad, an effort is being made to minimize the importance of the crimes and selective repression directed against workers and professional people. It is crude and stupid to attempt to present these violent deeds as the product of clashes between gangs of drug traffickers, in order to give the appearance of common crimes to deeds which are clearly

directed against citizens who have been carefully selected as victims. More absurd still is the desire to persuade the domestic and international public that the citizens who are fleeing the country to save their lives and those of their family members "are only going on vacation." These attitudes are a mockery of intelligence.

In the last month alone, a number of crimes have been committed, all of them against individuals linked with the popular movements. They show that there is a selective campaign of repression designed to intimidate the popular democratic sectors. The crimes such as those committed against the leader Dinora Perez, the Marist brother Moises Cisneros, General Anacleto Maza Castellanos, and peasant leader Maria Anavisca, as well as the death threats against Luis Zurita, Andres Giron, and 18 other leaders who have sought exile to date, in fear of their lives, can neither be coincidental nor the product of common criminality. However, even if they were common crimes, they would be evidence of the government's inability to guarantee the lives and safety of the citizens of Guatemala. As was the case in the nation's darkest era of political violence, this series of crimes is being committed by individuals who enjoy the most absolute impunity, since those responsible are never identified, arrested, tried, or punished.

Last week, Vice President of the Republic Gustavo Espina stated that there are individuals and groups within the state security forces who are trying to promote an atmosphere of chaos and violence in order to destabilize the country and slow the process of peace dialogue initiated by the president. Since it is known that this is happening, it is the grave responsibility of the government to identify these persons who are endangering the peace talks and the very stability of the government and the survival of the democratic system. To begin with, the seriousness and gravity of these deeds must be recognized. To the extent that it is possible, every means should be exhausted to provide the threatened citizens with security and to investigate the charges made, in an effort to locate those responsible and subject them to the full rigor of the law.

* Threats to GAM, CERJ

91CA0160H Guatemala City SIGLO VEINTIUNO in Spanish 10 Jun 91 p 3

[Text] The death threats being directed against popular leaders have intensified in recent days, according to the charges being made within the Mutual Support Group [GAM] and the Runujel Junam Council of Ethnic Communities [CERJ], whose leaders are currently being harassed.

The leaders of the GAM have revealed that in the past three weeks, the threats against and harassment and persecution of its president, Nineth de Garcia, by armed men have increased. In addition to the threatening telephone calls she has received, the statement adds, Nineth de Garcia is being harassed by men with weapons who ride motorcycles without license plates.

These unknown individuals have called at the home of the GAM leader and the headquarters of the group of family members of those who have disappeared to ask for Nineth de Garcia. The GAM members said that Mrs. De Garcia will not leave the country, nor will she abandon the activities she is carrying out within the popular movement.

The GAM also charged that last Friday, 7 June, two activists in the group, Diego Velasquez and Carlos Polanco, were arrested by National Police agents as they were walking near the intersection of 20th Street and Bolivar Avenue on their way to the Miguel Angel Asturias Cultural Center, where a ceremony celebrating the seventh anniversary of the founding of the GAM was being held. The police agents attempted to jail Velasquez and Polanco as suspects, but in the end let them go free as a result of the intervention of numerous individuals.

Professor Amilcar Mendez, president of the Runujel Junam Council of Ethnic Communities, has been receiving death threats for some time. They have intensified in recent days. The CERJ has reported that many of its members in the distant districts, settlements, and municipalities of Quiche have been threatened, kidnapped, or murdered in recent months. Recently, civil patrol members have caused problems in the Chiul district similar to those which occurred in Sacapulas, Chunima, and other localities in Quiche, where there is a CERJ organization.

Threats have also been received by Rosalina Tuyuc, the leader of the National Guatemalan Widows' Coordination Council (Conavigua), as well as trade-union leaders in the capital city, including Sergio Guzman and Byron Morales of the Trade Union Unity of Guatemalan Workers and the Unity of Trade Unions and Popular Action, among others.

Nicaragua

Recontras Give Ultimatum to President Chamorro

PA1207150891 Managua Radio Sandino in Spanish 1200 GMT 12 Jul 91

[Text] Former contras gave an ultimatum to President Violeta Chamorro... [15-second break in reception] that they would start war if she did not withdraw the Police Corps, the Army, and the Sandinists from the communities in the northern part of the country by 20 July.

Commander Dimas, who is the head of the recontras [contras who have taken up arms], said to the government representatives: We give you 10 days to get all the Sandinists out of El Cua and San Jose de Bocay. He also warned them that the recontras are armed.

Later, Dimas spoke to international reporters and said: I am going to declare war if they do not comply. He said: We will attack them from all sides; we will attack the government and the security corps, which, according to him, is dominated by the Sandinists.

The recontras met with Government Ministry officials at the Pica del Carmen area, 250 km to the northeast of Managua, on 10 July. This was the second meeting in less than three weeks between government officials and former contras. The latter took up arms again saying that they were being attacked by the security forces.

Ulises Somarriba, who is a Government Ministry official in an area of northern Nicaragua, said the recontras have assumed an inflexible position. Somarriba, who was part of the committee that spoke with the recontras on 10 July, declared that the position of the rebels was inflexible, but that he did not believe they could go any further with their position, other than to issue threats of violence if their demands are not met on the given deadline. He said: I do not believe there is going to be bloodshed because they cannot maintain this position. He added that the Chamorro administration was working to demilitarize the region but that these efforts were being implemented slowly because of logistical problems and the continued violence.

The government is minimizing the presence of Sandinist forces in the areas where a large number of peasants linked to the recontras live.

EPS Withdrawal Demanded

PA1307021491 Managua Radio Catolica in Spanish 1130 GMT 11 Jul 91

[Report by Gerardo Sanchez Montalvan]

[Text][Sanchez] I am reporting from La Pita del Carmen, north of Jinotega Department, which was the site of an important meeting held yesterday with top ranking leaders of the so-called re-contras [contras who have taken up arms], the members of a Cardinal Miguel Obando y Bravo commission, a CIAV [International Commission of Support and Verification]-OAS mission, and Francisco Obaldia of the Government Ministry. Commander Dimas [Marco Orlando Navarro Carrasco], the re-contra chief in the country's northern region, has given President Violeta Barrios de Chamorro a 10-day deadline, which begins today, to withdraw the Sandinist People's Army [EPS] troops stationed in San Jose de Bocay and El Cua.

Dimas said that, otherwise, they would stage a military response. He warned that this deadline runs from today until 20 July, and in that time period, the EPS and police troops are to withdraw from San Jose de Bocay and El Cua, because their presence poses a threat to the safety of the demobilized Nicaraguan Resistence [RN] members and social stability in rural areas. He added that he had supplies and enjoyed the peoples' support, dismissing reports that the re-contras are receiving support from abroad. Dimas has asked for a prompt meeting with President Chamorro to discuss these points and hear her say that she is removing General Humberto Ortega. Dimas denied having any political ties to Vice President Virgilio Godoy. In his exclusive remarks to "The Awakening" newscast, he said firmly: I have never met him; I do not even know him.

[Begin recording] [Dimas] [Words indistinct] last month, we reached an agreement with the government to avoid bloodshed in Nicaragua. Our chief point was the EPS withdrawl from El Cua and San Jose de Bocay and the creation of a new army, as the RN called for. None of the points of the agreement has been kept. We took advantage of yesterday's meeting to ask government representatives why that point was not abided by so that we can go on to the next points.

[Sanchez] Who [words indistinct] with these commissions?

[Dimas] We met with civilian authorities on 20 June. Today, 10 July, the government representatives only have.... [changes thougt] Why are they not abiding by point one of the agreement, which was to withdraw the EPS from San Jose de Bocay and El Cua and establish a new army that is known by the people, such as the RN police?

[Sanchez] You mean in these areas or all over the country?

[Dimas] Nationwide and [word indistinct]. We are giving them a 10-day deadline to withdraw. We are giving them 10 days to withdraw from San Jose de Bocay, as stated in the first point of the agreement.

[Sanchez] What would happen if the police are not removed from the area? We understand the police have in fact strengthened their positions and units in the northern area of the country.

[Dimas] They have 10 days. If they do not leave within that time frame, we, as fighters, will take other steps, which would mean military measures [words indistinct]. If they do not abide by this agreement, that means they do not support the agreement they signed with us, and we will have to take steps of a military nature. We have given them sufficient time to leave. If they are not out by the deadline, we will wage war because there is no other alternative.

[Sanchez] Are you opposing the Chamorro government or the EPS? What is your political stance? It has been said that there is a political connection between your demands and Dr. Godoy. What is your stance? Can you talk to us about that?

[Dimas] I have never met Dr. Godoy, I do not know him. Our political ideology calls for the restructuring of the EPS nationwide, beginning with Ortega and government [words indistinct]. We have given the government time to deal with the situation, give us an explanation of its motives, and tell us if it is going to abide by the agreement or not, as we are [words indistinct], after 20 July. We are giving it 10 days to withdraw the EPS and create the new police force in El Cua, as I told you. We

decided to call on the government to come here instead of sending represenatives. Afterward, we will decide what to do.

[Sanchez] Will you hold a meeting with President Chamorro and cabinet members?

[Dimas] [Words indistinct] we held a meeting today. [Words indistinct] to any of those sites to hold talks with her, because we do not get anywhere with her representatives. [Words indistinct] or if she wants us to wage war against her. We are not at war. We have not yet killed anyone, attacked any garrison, or ambushed any highway. [Words indistinct], but that does not mean we will not do that if they are not out in 10 days. [words indistinct] to the military actions. We will show the government and the people that we are ready to wage war. The people are willing to support us. That is why the government [words indistinct].

[Sanchez] You have been blamed for incidents in Chilali and Wiwili.

[Dimas] So far, we have not attacked any military target, as [words indistinct]. Other groups, which have not yet had any meetings with government representatives, have staged attacks. [Words indistinct] have not had any meeting with government representatives. They have no alternative but to conduct military operations.

[Sanchez] Some Sandinist media have stated that the re-contras have obtained their weapons from other countries. They are even talking of light airplanes making drops of weapons. Can you tell us how the re-contra fighters, the former RN fighters, are suriviving? What are they eating? Where do they get their clothes?

[Dimas] When we were the RN, we received military training. As military, we were very careful and had the bright idea.... [changes thought] Since we had the feeling that the promises made to us would not be kept, in fact, we knew the promises would not be kept, almost all the commanders had the bright idea of making arms caches. We hid ammunition, boots, shoes, and weapons. We made arms caches.

[Sanchez] On a political level, the UNO [National Opposition Union] leaders, who put Mrs. Chamorro in office, chided her for not keeping some of the promises she made during the electoral campaign. Do you agree that Gen. Humberto Ortega should be ousted and that the executive branch should follow the platform presented in the past elections?

[Dimas] The majority of UNO [words indistinct]. They congratulate us and tell us that the government has not kept all the promises to the people. [Words indistinct]. They are willing to (?support us). Our biggest strength is having the people's support, that is to say, the UNO people.

[Sanchez] Is this at the local level?

[Dimas] Nationwide. That is our strength. As I said, we had the bright idea, the opportunity, good fortune, and foresight of hiding some weapons. We knew the agreements would not be kept and that the weapons would serve us in good stead, as is the case now.

[Sanchez] Mayor General Joaquin Cuadra has said that the Sandinist Army was purged, but he has also reported that military recruitment is taking place. He publicly stated this at the National Assembly. Also, Gen. Ortega said the social gains of the revolution are being maintained with the new government. How do you feel about this matter? Do you think Gen. Ortega must leave his post? He may leave, but the institution remains. [words indistinct] Defense Ministry and [words indistinct]?

[Dimas] When you talk to me about those men, we want to make it clear that we want a nationwide (?restructuring) of the Army. We want an army that is not necessarily in Nicaragua but in some other country. We will not let any command be manipulated or trained by the Sandinists, because the same people would remain in place. We want the Sandinist doctrine to disappear.

[Sanchez] To conclude, do you have a message to the Nicaraguan people listening to Radio Catolica?

[Dimas] I first want to bring this message to the people. We are striving for their welfare. All the fighters here are confident that [words indistinct] will give us all support we need all over the country. We know the people support us, and they will not be disappointed. [end recording]

UNO Approves Drafting of New Law on Property

PA1407042891 Managua LA PRENSA in Spanish 9 Jul 91 pp 1,2

[Text] Last night, the National Opposition Union [UNO] parties approved the drafting of a new law on the property issue that will force the Sandinists to return to the state the land and houses measuring over 250 square meters that were granted under the provisions of Laws 85, 86, and 88. In an accelerated manner, the Sandinist National Liberation Front (FSLN) government had unilaterally approved these laws during the months just prior to the new government's takeover.

During a solemn session at the Legislative Assembly today, the UNO members who belong to the Special Commission on Property sent forward a draft bill in the form of a recommendation that will be presented to the Legislative Assembly in its final form on 26 August for approval or rejection.

The recommendations made today are the outlines for the new law, which, besides repealing Laws 85, 86, and 88, which are known by all as the pinata-like giveaway, has specific rulings on agrarian property, urban property, real estate and livestock, and the return and compensation of assets. It also issues a strong appeal to the executive and judicial branches on this issue.

The UNO wing—acknowledging that the Sandinist wing did not participate in the drafting of this draft bill—renewed its invitation to the FSLN to return to the Legislative Assembly so that, based on its recommendations, the draft bill can be drawn up in its final stage. This draft bill will be presented in August, if possible with the consensus of all the legislators.

Alfredo Cesar, Luis Sanchez, Azucena Ferrey, Fernando Zelaya, Nicolas Bolanos, and Rodolfo Mejia, all members of the Special Commission on Property that the Sandinists abandoned, today delivered their decision in the form of recommendations, after two months and 12 days of work on the issue. This work is considered as an initiative aimed at putting the property issue in order and seeking justice.

With regard to the agrarian issue, the new law on property, in addition to returning to the state the land sold under the provisions of Law 88, would also return to the state land measuring over 10 manzanas in Regions 2, 3, and 4 and all land measuring over 20 manzanas in the rest of the country that is currently protected by Agrarian Reform land titles issued during February, March, and April 1990.

On this same issue, it is proposed that land titles be granted to the peasants and cooperatives that have Agrarian Reform titles.

With regard to the houses: UNO proposes to grant property titles to the head of a family as long as he does not own other property or another home, and if under the provisions of Law 85, he had received a piece of property equal to or less than 80 square meters of construction.

With regard to the larger houses that measure from 80 to 150 square meters: If the beneficiaries wish to keep the property, they must pay 750 cordobas per square meter of construction.

The owners of houses that measure from 150 to 250 square meters will have to pay 1,000 cordobas per square meter of construction. Otherwise, if these conditions cannot be met, the houses must be returned to the state.

Likewise, the houses granted to a corporation or that measure over 250 square meters, as well as estates and summer homes, must be returned to the state. These are to be turned into vacation centers for workers and their family members.

With regard to the mansions and luxury residences that were expropriated under Decree No. 3 of 20 July 1979, they will be utilized—taking into account their features and the condition of the property—according to the list of priorities established in the aforementioned draft bill.

Under no case whatsoever can the properties mentioned in the previous paragraph be used for residences by government officials.

On the same issue, the UNO proposes to grant property titles to those who benefited by the laws of illegal parcelling, progressive urbanization, or consolidated neighborhoods, and who still have not received property titles.

The last recommendation on urban properties is to return to the state all the land not considered in the previous paragraph, which had been transferred under Law 86.

Regarding properties and livestock: Properties and livestock that had been registered in state institutions and that had been illegally granted by the previous government or misappropriated by former government officials are ordered to be returned to the state.

With regard to property restitution: It has been established that the assets that are returned to the state through a favorable resolution issued by the National Revision Commission—created by Decree 11-90—should be returned to their legitimate owners.

It is proposed that the original owners of the agrarian and urban properties that cannot be returned, be compensated by a negotiable certificate bearing the true value of these properties. These certificates would have preference in the privatization process of the state-run companies and assets.

In the case of the houses: A true price should be fixed on the certificates, and these would only be used for the construction of a new home.

In their appeal to the executive branch, the UNO members belonging to the Special Commission on Property suggest that a draft bill on privatization and on the organization of a Land Bank, which would be made up of the lands returned to the state and would serve the agrarian reform, be promptly sent to the Legislative Assembly.

The commission also recommends the implementation of low-income housing construction projects in the cities and in the countryside, as well as the creation of a quick and efficient procedure to grant property titles.

One of the seven recommendations made to the president by the UNO members on the Property Commission is the adoption of the necessary legal measures so that the National Revision Commission—created by Decree 11-90—can hear and resolve the Nicaraguan Resistance's 5,400 demands for revisions. In this manner, the Nicaraguan Resistance could file their demands through legal channels without infringing on the rights of others.

Likewise, the UNO members ask for the approval of the organic law of the INRA [National Institute for Agrarian Reform] and that an agrarian reform draft bill which conforms to our national reality be submitted to the Legislative Assembly. This does not preclude the possibility that the Legislative Assembly may assume this initiative.

The commission also set forth to the executive branch the need for the public force to act in accordance with the Legislative Assembly's recommendations and with the decisions of the executive branch.

In their conclusion on the property issue, the UNO members ask the judicial branch for the revision—as quickly as possible—of all property registers in the nation, to establish the true physical status of all properties and the number of properties registered under Laws 85, 86, and 88.

The commission also recommends the investigation of, and the corresponding sanctions on, the notaries who authorized false or void deeds, whereby they transferred lands or houses under Laws 85, 86, and 88.

To conclude, the commission demands the investigation and the corresponding sanctions on the public registrars who committed irregularities while in their posts, particularly in the registration of properties acquired under Laws 85, 86, and 88.

First Reactions Reported

PA1207174091 Managua LA PRENSA in Spanish 9 Jul 91 p 12

[Article by Felix Navarrete]

[Text] At noon today, UNO's [National Opposition Union] faction at the Assembly unanimously approved the Special Real Estate Ownership Commission's recommendations and sent them to the Justice Commission. The Justice Commission must express an opinion so a bill can be drafted in six weeks.

The recommendations immediately elicited various reactions in political and diplomatic circles, which declared the document "valuable" for a solution of the real estate ownership conflict in Nicaragua.

Asked his opinion about the paper, Emilio Pereira, president of the reconciliation forum, said that the document was a useful framework in the continuing debates on the problem of real estate ownership and added that several of the recommendations coincide with those arrived at by consensus at the reconciliation forum.

Pereira said that the report opens new alternatives both for those whose properties were expropriated and for beneficiaries, and that it makes a substantial contribution to the solution of this conflict.

COSEP [Higher Council of the Private Enterprise] President Gilberto Cuadra said he agrees with the focal points of the document, but that important points like industrial and commercial ownership, which should have been discussed, were left out.

"The commercial and industrial giveaway is conspicuously absent from the document," he said, describing it as nevertheless valuable for correcting a number of irregularities against ownership.

PLI [Independent Liberal Party] President Wilfredo Navarro said that the recommendations are fully backed by UNO's political council. He underlined the adherence of the recommendations to justice because they rectify abuses and guarantee legal ownership for the owners of modest homes.

Agustin Jarquin, president of the PCDN [Democratic Conservative Party of Nicaragua], said the document presented by the commission is equitable and agreed with several other politicians that it is an excellent reference from which to work on a fair law.

Luis Sanchez, first vice president of the National Assembly, said that this document is the starting point to settle the ownership conflict. He pointed out that despite the absence of the Sandinists from the meetings to debate this problem, a large number of active members and leaders of the party support these efforts.

A few minutes after the recommendations were made public, Sandinist faction leader Sergio Ramirez labeled them a technical coup perpetrated by the UNO faction against the executive and judicial branches.

Ramirez pointed out that UNO is attempting to reinstate the Somozist ownership system and warned of a severe national crisis because of what he called "the intransigence of the UNO leaders."

He reiterated his party's determination to remain absent from the Assembly sessions.

Ramirez on Proposal

PA1307165791 Managua BARRICADA in Spanish 10 Jul 91 pp 1, 10

[Report by Maria Alicia Talavera]

[Text] The "recommendations" by National Assembly President Alfredo Cesar envision the reinstatement of the system of ownership that existed before 19 July 1979, Sergio Ramirez, chief of the Sandinist National Liberation Front [FSLN] bloc, said yesterday.

Ramirez described them as "irresponsible and unpatriotic" and said that by calling for the expropriation of thousands of parcels of land, they constituted an invitation "to begin a dangerous conflict in Nicaragua."

The former vice president appeared before local and foreign reporters, accompanied by several FSLN deputies, after the so-called Cesar report on ownership was unveiled, as his first reaction to what he termed "a technical coup d'etat" against the executive and judicial branches.

UNO [National Opposition Union] politicians, "donning a mantle of ethics and morality," are creating a national crisis, and "we do not accept that a solution to something as profound as the problem of ownership can be found through confrontation," Ramirez indicated.

The FSLN will try to find a solution, not through the National Assembly, but rather through a concerted agreement that will clear the way for viable solutions that serve the interests of all Nicaraguans, he stated. The FSLN deputy placed stress on the validity of the process of negotiating with the municipalities, through which the FSLN and other organizations are seeking solutions to the problem of property titles.

He charged that when the Special Commission on Property was established, it was agreed that a special procedure would be established, and that it would reflect a political consensus. This has not happened, because Cesar's "recommendations" do not reflect such a consensus, subsequently the FSLN has walked out of the Assembly.

The FSLN oloc is not planning to return now or after the 20 August recess to the Assembly or any committee because the FSLN will not be a party or an accomplice to this legislation, Ramirez stressed.

He warned that the resolutions issued by the Committee to Review Confiscations, contained in Decree 11-90, are being enforced, even though the Supreme Court has declared them "unconstitutional."

Ramirez went on to add that the elimination of the entire land reform process that has transformed the system of ownership in rural areas is also being planned.

According to "the recommendation" by the Assembly president, the new system will be based on the allocation of state lands, as during the Somoza regime by the former Nicaraguan Agrarian Institute (IAN), which was headed by current UNO Deputy Rodolfo Mejia Ubilla.

This is nothing short of the reinstatement of small unproductive parcels of land, Ramirez indicated. "With regard to the property issue, what we have before us is an attempt to install counter-revolutionary restoration that is also anti-democratic, because it conspires against all reconciliation and mutual understanding values," Ramirez noted.

The "recommendations" deny the rights acquired by Sandinist peasants, as well as members of the resistance, who have had "access to more extensive tracts of land," Ramirez stated.

To limit peasant property to 10 and 20 manzanas means to expropriate from "poor peasants and the peasants' cooperatives." This is pecisely contrary to Sandinism, which expropriated from those who had something to give to those who had nothing," Deputy Dora Maria Teliez said.

With regard to urban property, Ramirez said that behind the fixed limit of "the magical 60 square meters, pulled from up someone's sleeve" is hidden the "eagerness to reverse the ruling on urban property."

Ramirez warned that Laws 85 and 86 cannot be repealed, nor can they have retroactive effects, because according to the Constitution, this is only allowed in penal cases. "No matter what the size of the property, be it 59.9 or 60.1 square meters, no one should be dislodged from their homes, much less if he has a title to the property," Ramirez noted.

According to Ramirez, if a person does not have a public deed, the state is obliged to issue one. "We proudly uphold" Law 85. We are not ashamed of having enacted Laws 85 and 86 and we will defend them, no matter what the consequences," the head of the Sandinist faction said.

PLI's Navarro Comments

PA1407235491 Managua Radio Corporacion in Spanish 2300 GMT 10 Jul 91

[Text] The Presidency of the Republic must guarantee the lives of those who oppose the Sandinist National Liberation Front [FSLN] giveaway, given the public threats issued by the red-and-black [reference to the FSLN flag colors] leaders concerning Laws 85 and 86, Independent Liberation Party [PLI] President Wilfredo Navarro has said. He added that the PLI hopes the national police will assume, for the first time, its role as defender of all Nicaraguans and curb the terrorism that the FSLN spokesmen have announced.

[Begin Navarro recording] Justice is the goal sought by the recommendations of the National Assembly's Special Real Estate Ownership Commission: justice, because it gives the country's poorest and most deprived the ownership of their houses, and it justifies and legalizes the real estate developments that were seized, thus giving the Nicaraguan people and masses a social right—meaning the right to a roof over their heads. Justice is also done because all the luxury mansions, villas, and summer houses that FSLN magnates had ascribed to themselves—in an attitude that is contrary to morality, equity, and honesty—will be recovered.

We believe that these measures will certainly have an impact in the country because they really define the profiles of real estate ownership and the status of real estate, and allow guarantees in real estate. Poor and humble Nicaraguans who have settled in the real estate developments that were seized by the authorities will have an ownership title for the first time.

The measures will allow the state to program the development of social and community services for these settlements. We also believe that granting or ceding those homes with less that 60 meters of construction to their present occupants indicates that the less privileged classes of this country are being benefited.

Those high commanders, however, who became rich over the span of 11 years, and even richer during the last two months of the pinata-like giveaway, by occupying summer ranches and luxury homes, those grand magnates of Sandinism are going to have to pay for those properties if they wish to keep them. They are going to have to pay the real

market value. This pinata-like giveaway and these robberies, which have no equal anywhere in the world, must not be allowed in Nicaragua.

The FSLN, specifically Sergio Ramirez and other Sandinist leaders, have predicted growing violence in the country because their warmongering mentality prevents them from seeing beyond such important decisions for this nation. They are wrong. They are speaking of violence and terrorism, and we expect a greater increase in the terrorist attitude of the FSLN toward the UNO [National Opposition Union] leaders. Violence is the only way they have to express their disagreement because they are in the wrong.

We believe that we have kept our promise to the poor and to all Nicaraguans and that we are fulfilling the government's charter. We want to recover the assets stolen through the pinata-like giveaway, and we are trying to benefit the less privileged masses. The UNO deputies have made a commitment to Nicaragua and must not be afraid of the FSLN. Let Antonio Lacayo be afraid of the FSLN. The UNO deputies, who have made a commitment to the Nicaraguan people, are not going to be afraid, and we will not be suppressed. As of now, we hold the FSLN responsible for any attempt against the personal integrity of the UNO deputies or of any of the leaders of the 14 political parties. We specifically mean Daniel Ortega and Sergio Ramirez, who on 9 July threatened the safety of the UNO politicians. We clearly stated this and demanded that, for once, the Chamorro administration guarantee order and stability, and the police, for once, do their duty by protecting the lives, the safety, and the property of the Nicaraguan people, who oppose the FSLN barbarianism.

We have said that we are not willing to come to any agreements unless the promises made to the people during the political campaign are kept. This situation constitutes an attack against the country's property and means that the people's resources, stolen in the FSLN pinata-like giveaway, will be sacrificed. [end recording]

FNT To Study Proposal

PA1407212991 Managua BARRICADA in Spanish 12 Jul 91 pp 1,7

[Article by Ricardo Pino Robles]

[Text] National Workers Front [FNT] leader Edgardo Garcia has labelled Legislative Assembly President Alfredo Cesar's attitude regarding the property issue essentially as a coup d'etat that has changed conditions in the political arena.

In statements to BARRICADA, Edgardo Garcia said that the FNT is in permanent session to "study the new political conditions" resulting from Alfredo Cesar's "recommendations" made at the Legislative Assembly.

Garcia explained that as a result of the change in the political conditions, the FNT was not able to present its final report on the property issue at the concerted effort forum, therefore, they are requesting to present their report next week.

Edgardo Garcia stressed that the FNT leadership will be in close contact with the rank-and-file to draw up a proposal that would enable the concerted effort to "offer a solution aimed at overcoming the impasse in the Legislative Assembly."

Emilio Pereira, finance minister and president of the concerted dialogue commission, explained to the local media that the FNT had officially requested more time to present their proposal. This proposal should have been presented by 11 July.

Pereira added that the government will draw up a document that presents the consensus on the property issues that was reached with all the participants, that is: The Higher Council of Private Enterprise (COSEP), the National Union of Farmers and Cattlemen (UNAG), the National Chamber of Small Industries (CONAPI), and the Permanent Workers Congress (CPT).

"We hope that the FNT's document will be completed by 16 July so that on the following day we can review both documents and then proceed to the final phase of the national dialogue," the minister noted.

The minister said that, subsequently, the president will present at the Legislative Assembly the collective position of those who participated in the national dialogue. In this way, the deputies will learn about and be able to consider the concerted effort's criteria, before making a final decision on the property issue.

"I would like to reiterate that the president's position will be the position reached through consensus. I also want to make it very clear that the president is going to reach an agreement with those who still form part of the concerted effort," the minister stressed.

"After a certain length of time, if some do not show up because they cannot get their act together, and others because they cannot reach an agreement, the government is going to reach a consensus with whomever is left. This is the only way to give a feasible response to the problems in Nicaragua, that is, by consensus, reached with the people interested in working on this," Pereira stated.

Pereira disclosed that the concerted effort's final document would contain an evaluation of Phase I, which encompasses the property issue that includes matters related to urban housing, rural lands, companies, privatization programs, and compensation plans, as well as the issues of employment, salaries, and the broadening of the stabilization plan.

Residents Reject Proposal

PA1307141491 Managua BARRICADA in Spanish 11 Jul 91 pp 1, 10

[Report by Pablo Emilio Barreto]

[Text] Yesterday, several residents of Managua voiced their concern about Alfredo Cesar's "recommendations" that the beneficiaries of Laws 85 and 86, who built their homes on an area of more than 60 square meters, be charged a fee.

Santos Rizo Sobalvarro, a carpenter and resident of Barrio Progresivo Rene Cisneros, said: "I am one of the beneficiaries of Law 85. I built my small house on an plot of more than 60 square meters and it would be immoral and unfair, because of the revengeful intentions by Alfredo Cesar, for the state to charge me for the excess 6 square meters."

The neighborhoods of Rene Cisneros, Jorge Dimitrov, and Francisco Meza were built after the 1982 flooding on state-owned and confiscated property. Therefore, these properties were transferred to their residents by virtue of Laws 85 and 86.

Santos Rizo said further: "Several families in Barrio Rene Cisneros own homes that have been built within an area of more than 60 square meters. I am not going to pay a penny and I will demand that the government give me title to the property and the little house."

Jose Leon Chamorro, who owns a house built on a 65 square meter plot in Bello Horizonte neighborhood, stated: "Those of us who have already received property according to Laws 85 and 86 must not pay a penny to anyone, much less based on the absurd 'recommendations' made by Alfredo Cesar."

Olga Fomos, a resident in Bello Horizonte, stated: "By making these 'recommendations,' Alfredo Cesar and the UNO [National Opposition Union] deputies are stirring up a social crisis and throwing fuel into the raging fire of national reconciliation. It becomes necessary to resolve the problem of individual and family ownership to achieve national reconciliation."

Blow to Residents

Olga Fomos added: "The intentions of Alfredo Cesar represent another blow against the residents of Managua, who are anxious over the possibility of losing our pieces of land and homes. We have been living here for many years."

Enrique Picado, deputy coordinator of the Communal Movement, called on the residents of Managua to "not let the recommendations" by Cesar "intimidate them." Quite the contrary, he said, the recent agreements with the president should be emphasized to expedite the process of the delivery of ownership titles to both urban residents and peasants throughout the country.

Picado reported that 34,000 heads of household have registered to demand their land ownership titles in Managua. He stated that on 12 July, the registration books will be moved from the districts to the neighborhoods of the capital.

Picado stated: "On 11 July, we will begin a process of holding assemblies in Managua to explain the agreements with the Presidency and specify the mechanism that will be implemented to expedite the process of delivering land ownership titles."

Indignation in Residential Areas

Carolina Espinoza Ruiz, a communal worker at District VI, said that the residents of several neighborhoods expressed their indignation on 9 July over Cesar's "recommendations" at the Special Ownership Commission of the National Assembly.

Espinoza added: "Several families would be affected in District VI, in the neighborhoods of Nueve de Julio, Miguel Gutierrez, Villa Sol de Libertad, Unidad de Propositos, and Villa Ruben Dario, where there are hundreds of beneficiaries of Laws 85 and 86."

"In Ciudad Sandino, hundreds of people with homes on plots of over 60 square meters have benefited from Laws 85 and 86, including residents of the Eduardo Contreras real estate development project," said Octavio Correa, a community leader from Ciudad Sandino. "I am alarmed by Cesar's 'recommendations,' which seem to me an effort to legalize the dispossession of thousands of settlers to legitimize the return of Somozism, which we will not allow."

Orlando Baltodano, a resident of San Judas, expressed concern about the extent of Alfredo Cesar's revanchism. "That man spends all of his time encouraging war and stabbing the poor, who live in a constant state of anxiety because they have no deeds for their lots and homes," he said.

Among the neighborhoods that will be affected in District III are: Heroes y Martires del Bocay, Miguel Bonilla, Villa Fontana, Camilo Ortega, Bolonia, San Juan, Lomas de Guadalupe, and Monserrat.

"Cesar's 'recommendations' heighten the settlers' anguish and further ignite the social crisis the country is experiencing because of the individual and collective property ownership problem. They constitute an attack on the national reconciliation the government is promoting," said Carlos Bonilla, from the Venezuela neighborhood.

Areas such as Ciudad Jardin, Bello Horizonte, Cristian Perez, Don Bosco, Diez de Junio, and residents from poor neighborhoods such as Larreynaga, El Eden, and Ducuali would also be affected by Alfredo Cesar's "recommendations."

"I have built on 64 square meters of land, but I will not pay a single cent. Instead, I will demand a deed for the lot

and the house," said Antonio Sobalvarro Rodriguez, a resident of the Carlos Fonseca Amador settlement.

"What those UNO members want is renewed social strife. What moral right do they have to charge us for building on over 60 meters of land? They did not build these houses. I built my house," contended Angel Perez Bermudez, also a resident of the Carlos Fonseca neighborhood.

Panama

Foreign Relations Commission Report on MLAT

Part I

PA1507004691 Panama City LA PRENSA in Spanish 10 Jul 91 p 2A

[Part I of a report issued by the Foreign Relations Commission of the Legislative Assembly regarding the approval of the Mutual Legal Assistance Treaty, MLAT, in Panama City; date not given]

[Text] The Foreign Relations Commission has discussed, in a first debate, Bill No. 78, "which approves the treaty between the Republic of Panama and the United States of America on mutual assistance in criminal matters," signed in Panama City on 11 April 1991 and submitted to this Assembly by the foreign minister for its consideration.

The purpose of this agreement is to establish more effective cooperation between the contracting parties in the investigation, prosecution, and repression of serious crimes, such as drug trafficking, and it also seeks to improve coordination and mutual assistance in the strict observance of the law.

In the discussion of this bill, the commission benefited from the participation of Foreign Minister Julio E. Linares and Deputy Foreign Minister Jose Raul Mulino, as well as negotiators Carlos Arosemena Arias, Ricardo A. Durling, and Luis H. Moreno. The representatives of the different associations and organizations interested in the discussions, such as the National Banking Association; the National Bar Association (CNA); the Panama Chamber of Commerce, Industries, and Agriculture; the Panamanian Association of Business Executives (APEDE), the CNA-Colon Chapter; the Business Law Association; and the Profession and Law Movement of Lawyers, as well as other distinguished jurists and the attorney general, also participated in the discussions.

The commission held eight work sessions, during which the commission members heard opinions and comments, as well as criticisms and objections to the treaty being discussed. The topics of importance discussed by the commission were the following:

—dual criminality
—fiscal crimes
—juridical sovereignty of Panama
—assistance expenses
—procedures to be followed when rendering testimonies

As part of the introduction, the negotiators explained that during the negotiations leading to the signing of the Mutual Legal Assistance Treaty [MLAT], they referred to the agreement signed between the United States and the Bahamas and made the changes the Republic of Panama considered necessary.

It is important to point out that for the Panamanian negotiators, the agreement with the Bahamas was always a good point of reference to achieve the essential aspirations of the Republic.

As for the topics that were the object of a greater discussion, this commission will list the following conclusions it reached:

Dual Criminality

During the work meetings, the representatives of associations voiced misgivings regarding the agreement's failure to include the principle of dual criminality.

These misgivings were prompted by point (b) of paragraph 1 of Article 2, which reads as follows: "1. For the purposes of this agreement, the term 'offense' means: (b) any criminal conduct punishable by one year or more in prison under the laws of the requiring state, and that arises, results, is connected to, or in some other way encompassed." [sentence as published]

It was explained that the aforementioned point (b) must be understood to mean that the criminal conduct punishable by one year or more in prison necessarily has to be a criminal act punishable by the criminal legislation of both countries.

As for the use of the term "violent offenses," it was explained that it must be understood to mean, for example, bank robbery, extortion, or crimes related to terrorism, among others of a similar nature. There was never any intention to standardize new offenses.

To conclude, it was stated that the assistance Panama is obligated to provide is subject to the limitations imposed by our own laws, as can be seen in reading paragraph 4 of Article 1, which establishes the following: "4. In this agreement, all the requests that are submitted under the terms of the agreement will be carried out in conformity with and subject to the limitations imposed by the laws of the required state. The method of implementation mentioned in the request will be carried out to the extent that the laws of the required state ban it." [sentence as published]

Only Panamanian officials will have the authority to process requests for information.

Fiscal Crimes

All the sectors and associations that participated in the discussions, especially the National Bar Association and the Banking Association of Panama, have expressed

concern over the possibility that fiscal crimes could be included among the crimes on which legal assistance is to be provided.

The discussions on this issue were motivated by paragraphs 1 (iv) and 2 of Article 2. Paragraph 1 (iv) says that this treaty considers the following to be a crime: "fraud or the utilization of fraudulent actions, including the acquisition of money or goods through deceit, deception, or false promises; embezzlement and any other actions aimed at depriving the government, its agencies, or the citizens of their right to manage their affairs free of fraud, false statements, and deceit."

Paragraph 2 of Article 2 establishes: "For the purposes of this treaty, the term crime does not include any matter directly or indirectly related to tax regulations—including tax estimates and tax collection matters—except when there is evidence that a case involves money related to activities envisaged in paragraph 1 of Article 2."

Part II

PA1507010591 Panama City LA PRENSA in Spanish 11 Jul 91 p 2A

[Part II of a report issued by the Foreign Relations Commission of the Legislative Assembly regarding the approval of the Mutual Legal Assistance Treaty, MLAT, in Panama City; date not given]

[Text] The negotiators explained that fraud or the use of fraud referred to in paragraph 1 (iv) does not deal with fiscal evasion, but fraud of various kinds. The provision in the annex signed by the two governments was mentioned in this connection. In it, paragraph 1 (a) (iv) plainly states: "This subparagraph would include postal and telegraphic fraud and the violation of regulations involving fraud or fraudulent profit. The subparagraph, however, would not include fiscal evasion unrelated to other offenses included in this treaty."

The negotiators added that paragraph (b) makes refusal of the assistance permissible in fiscal evasion cases. Paragraph (b) says explicitly: "(b) Article 2 (2) allows for the refusal of the assistance whenever the matter deals directly or indirectly with fiscal legislation, including the establishment, calculation, and collection of taxes."

It was further explained that any exceptions will be limited to those cases where the money involved in the fiscal issue has been obtained as the result of any of the activities described in Article 2 (1) or (1) (b). This would be the case in a fiscal criminal trial conducted in the United States and dealing with unreported income obtained through or as the result of illegal drug trafficking.

Juridical Sovereignty of Panama

During the debate, objections were raised that the treaty violates Panama's juridical sovereignty. The negotiators explained that the treaty is respectful of Panama's juridical sovereignty and that this is expressed in the fact that Article 1, paragraph 4 clearly states that each and every one of the requests presented to the Republic of Panama according to this treaty "will be executed in accordance with and be subject to the limitations imposed by the laws of the required state."

The negotiators also reported that the annex to the treaty remarks that nothing in the treaty "intends to affect the constitutional stipulations of either of the two signatory states," thus safeguarding Panama's legal and constitutional norms to be applied in the execution of this treaty.

Expenses Incurred by This Assistance

The discussion established that the requiring state will defray the regular expenses incurred by the execution of the assistance, in accordance with Article 7. These expenses include: "(a) travel and incidental expenses of witnesses traveling to the requiring state, including the expenses of officials accompanying the witnesses; (b) emoluments; and (c) the fees of the lawyer designated, with the approval of the requiring state, to advise witnesses or defendants."

Of course, Panama will have to include in its next budget the amounts necessary to comply with the treaty's stipulations, particularly the creation of an administrative office of the Ministry of Government and Justice, which will be in charge of everything related to honoring U.S. requests for assistance. These requests will be handled by the judicial branch or the Attorney General's Office, as appropriate.

Confidentiality

Several bankers and lawyers have voiced their concern about the possibility of the evidence obtained through this treaty being used improperly. These bankers and lawyers were told that, according to paragraph 1 of Article 8, "the requiring state shall not use any information or proof obtained under or derived from this treaty, without prior consent of the required state, for purposes other than those stated in the request."

It was also underlined that the Republic of Panama can refuse to honor any request if compliance with such request might harm the safety or essential public interests of the required state; that is to say, the Republic of Panama. (Article 3, Paragraph 1 (a)).

Procedure To Be Followed When Rendering Testimony

Some groups, such as the National Bar Association, CNA, expressed fear that the treaty will permit foreign lawyers to participate in the taking of testimony in national territory. On this point, Article 9, paragraph 4 of the treaty provides the following: "4. The required state will authorize the presence of persons named in the request during the taking of testimony and, subject to the laws of the required state, will permit such persons to interrogate the witness whose testimony has been requested."

It was explained that all requests must comply with Panamanian laws, particularly the law limiting the practice of the legal profession to Panamanians, as was noted in paragraph 4 of the aforementioned Article 9.

The commission also heard presentations by other groups which were present during the discussion of this treaty, and which presented in writing their opinions of and objections to the treaty. Thus, all questions asked during the commission's various working sessions were addressed exhaustively by the negotiating team.

The groups unanimously agreed that this treaty will require enabling legislation and regulations after it is ratified. The CNA suggested that a law be adopted to regulate the treaty, however, the attorney general expressed the opinion that it is not proper for one law to regulate another. He said the law should be regulated by the executive branch by means of an executive decree.

When the commission studied the MLAT in the area of criminal matters, it reached the conclusion that the treaty responds to the need for all countries to cooperate in the struggle against drug traffic, which today is a scourge that besets all countries without distinction, including our Republic.

The signing of this agreement is a positive step in the international juridical cooperation that is an obligation for all countries to combat this scourge. Its ratification will undoubtedly contribute to an improvement of our country's image, which international news media have seriously tarnished over the past few years in campaigns that did not provide the necessary proof. The commission reached the conclusion in its study that the treaty will have no negative effect on the financial and banking center established in the Republic, since almost all other main banking centers have also signed similar agreements with the United States.

In view of all the foregoing considerations, we recommend that the treaty be approved. Consequently, the Foreign Relations Commission resolves:

1. To approve, in first debate, draft law No. 78, which calls for approval of the treaty between the Republc of Panama and the United States of America for mutual assistance in criminal matters.

2. To request that the plenum of the Legislative Assembly, through its worthy offices, consider the treaty in a second debate.

Argentina

Menem, Lacalle Hail Accords on Natural Gas

PY1307181291 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1545 GMT 10 Jul 91

[Text] Buenos Aires, 10 Jul (NA)—Today, Argentine President Carlos Saul Menem and Uruguayan President Luis Alberto Lacalle expressed their satisfaction with the agreement signed by their governments on the supply of natural gas and with the accord on studies for dredging, setting up buoys, and maintaining River Plate canals.

In a joint declaration signed this morning in the White Room of Government House, Menem and Lacalle also emphasized the importance of the agreement on single border control and facilitation of people, vehicles, and cargo traffic.

The two presidents expressed their intention to advance feasibility studies for construction of the Buenos Aires-Colonia Bridge in view of the "fundamental role it will play in the subregional integration process, which has received a decisive push since establishment of the Common Market of the South [Mercosur]."

They also expressed satisfaction with the signing of an agreement on cooperation in the health sector, "which constitutes a clear signal of the will of the two nations to cooperate in promoting, protecting, mending, and rehabilitating the health sector."

Lacalle and Menem signed the joint declaration in a ceremony at the White Room. After the ceremony, Foreign Ministers Guido di Tella, of Argentina, and Hector Gros Espiell, of Uruguay, signed the agreements.

Regarding the dredging of River Plate canals, it has been requested that the River Plate Administrative Commission (CARP) call for international bids for the dredging, setting up of buoys, and maintenance of the canals in the Martin Garcia Island area between km 37 of the River Plate and km 0 of the Uruguay River. The work will be conducted under the public work concession regimen without state contributions or guarantees.

It has also been agreed to "simplify, as much as possible," the traffic of people and vehicles between the two countries and to establish single border control points between Salto and Concordia, Colon and Paysandu, and Fray Bentos and Puerto Unzue.

The two governments decided to establish a system of traffic cards and vicinal border traffic cards for Argentines and Uruguayans and to extend the use of these cards to the Buenos Aires-Colonia and Tigre-Carmelo areas.

As for cooperation in the health sector, they agreed to implement a system for the promotion, protection, and rehabilitation of health. They also decided to cooperate in the areas of medical technology, human resources, and the health of people living on the border between the two countries. An agreement on liability in traffic accidents was signed. The agreement sets the law under which liability will be determined and the international jurisdiction under which liability will be adjudicated in cases involving the issue of nationality of the offended party and the territory where the accident occurred.

Menem and Lacalle met in Menem's office, where they discussed matters pertaining to the international situation and the framework agreement signed between the Mercosur member countries and the United States.

They also expressed their political will to strengthen the struggle against foot-and-mouth disease through coordinated actions in order to eradicate it from both two countries, and thus improve conditions for the export of animal by-products to the international market.

They reaffirmed their decision to continue cooperating to prevent drug abuse and the illegal traffic of drugs and psychotropic substances at a bilateral level and within the framework of the United Nations, OAS, and the South American Accord on Drugs and Psychotropic Substances [ASEP]

The two presidents stressed the importance of the GATT Uruguay Round, and reaffirmed their will to contribute to the success of the objectives agreed upon in the Punta del Este Declaration.

Menem Signs Decree Ending 'Privileged Pensions'

PY1407223691 Buenos Aires BUENOS AIRES HERALD in English 13 Jul 91 p 11

[Text] (NA-DYN)—President Carlos Menem yesterday signed a decree eliminating "privileged pensions" for most state officials, with the exception of high-ranking Armed Forces, police and SIDE [Secretariat for State Intelligence] state intelligence personnel as well as Church members working for government departments.

Presidential Legal and Technical Secretary Jorge Maiorano explained that the decree would not be backdated. "The 63,000 citizens already enjoying privileged pensions will not lose them because they are rights they acquired and cannot be deprived of."

In the text of the decree, Menem pointed out that "it is a clear injustice that some retired workers receive pensions which are far higher than those of most other retirees."

The government document stressed that Congress "has not discussed this issue although it entered the legislative body a long time ago, so the executive branch of government was forced to act in defence of the principles of equality and social solidarity."

Yesterday afternoon the head of state commented that "nobody will get special treatment from now on." Menem issued these statements during a press conference in Loreto, Santiago del Estero, where he inaugurated the national campaign against the Chagas disease.

The news was not well received in Congress, where deputies and senators lose their right to a privileged pension.

Most non-Justicialist legislators criticized the fact that military and police officers are exempt from the new scheme and pointed out the dangerous precedent of modifying a law by decree.

Senator Adolfo Gass (Radical-Capital) said the decree was unconstitutional and commented ironically that "it seems that now not only children are privileged, but also the military, the police and SIDE personnel."

In turn, Carlos "Chacho" Alvarez from the Group of Eight maverick Peronist deputies supported the presidential decision but said he would like to see the military included.

Senator Oraldo Britos (Justicialist-San Luis) told the press that "no matter how good it might be, you cannot issue a decree to replace a law." He added: "The President should have first forced businessmen to pay the pension system for the 2.5 million workers employed in under-the-counter fashion, which deprives the pensioners' fund of 2.1 million dollars."

Britos considered that "the ideal solution would be for everybody to retire with a guaranteed minimum three million australs and I even presented a bill two years ago for legislators to retire with 60 years of age and a minimum 30 years of social security contributions."

Senator Jose Romero Feris (Corrientes Autonomist) underlined that he had always supported the removal of a law discriminating among citizens, but warned that overruling any law by decree was "a bad precedent." The legislator did not accept the government's reasons "because if the draft law has not yet been discussed the governing party is mainly to blame."

Democratic Centre Union (UCeDe) chairman Federco Clerici considered that the presidential ruling "can still be debated in Congress, and this must be done to avoid an unending number of protests and trials." He added: "We'll see then who raised his hand to wipe away these privileges."

Air Force Attache to U.S. Faces Charges

Charges Reported

PY1207132291 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 11 Jul 91

[Text] Defense Minister Antonio Erman Gonzalez summoned Brigadier Hector Sambrizzi, the Argentine Air Force attache to the United States, for this afternoon because of the many remarks that he has made to the media. The military officer was sentenced to 60 days imprisonment on charges of managerial—not fraudulent—negligence over a call for international bids for the supply of safe, landing equipment for the various Argentine airports.

Imprisonment Ratified

PY1307185091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1953 GMT 12 Jul 91

[Text] Buenos Aires, 12 Jul (NA)—Defense Minister Erman Gonzalez and Brigadier Jose Julia, Air Force chief of staff, today ratified the 60-day confinement imposed on Brigadier Hector Sambrizzi, the Argentine Air Force attache in the United States, on charges of "violating regulations" in the purchase of a large amount of flight equipment.

This report was released at the Defense Ministry this afternoon after a meeting to analyze statements made by Sambrizzi, who returned to the country yesterday. In the next few hours, however, Sambrizzi will leave for Washington, where he will continue to discharge his duties.

In an official communique, Gonzalez stated that "after learning of statements made by Brig. Julia and Brig. Sambrizzi, I ratified that the administrative action that led to adoption of the punishment could not be regarded as fraudulent."

The communique added that the punishment "does not tarnish the name and honor of Brig. Sambrizzi; consequently, he was ordered to continue discharging his duties as the Argentine Air Force attache in the United States and as chief of the Argentine military delegation before the Inter-American Defense Board."

Julia also issued a communique similar to the one released by Minister Gonzalez.

Sambrizzi arrived in Argentina yesterday and met with Defense Minister Erman Gonzalez, who spoke with him about his situation.

The crisis within the Air Force resulted from the adoption of two measures: The punishment imposed on five senior officers, including Sambrizzi, and the arrest of Brigadier Tomas Rodriguez, Air Force deputy chief of staff, on charges of "indiscipline."

It was said at the Defense Ministry today that Rodriguez is serving a 30-day house arrest ordered by Julia. In this regard, Julia, who ordered that Rodriguez be placed on inactive status awaiting assignment—an order that was endorsed by the government—said: "For the time being, I am in charge of the post of deputy chief of staff."

Julia thus clarified a report that replacement of Rodriguez prompted a modification in the Air Force high command. The report, which was published today by some morning newspapers, said that Brigadier Andres Antonietti, Military Household chief, had become the deputy chief of staff. Julia, however, said: "That is an inaccurate report."

Before this information was released, Julia held a long meeting with Gonzalez during which an agreement was reached on how to handle the case of Brig. Sambrizzi, who refused to acknowledge the punishment that was imposed on him.

Sambrizzi met with the minister for 30 minutes yesterday. After that meeting it was leaked that the punishment could be lifted, but an official report said today that the punishment will be maintained.

Sambrizzi was given 60 days imprisonment. Four other officers were also arrested for their involvement in the purchase of flight security equipment.

Rodriguez, who reported to the civil courts to charge his chief, Brig. Jose Julia, with "poor performance of his public servant duties," was punished with 30 days imprisonment for "indiscipline."

Judicial branch sources said that the charges leveled against Julia are not sufficiently grounded to harm the high-ranking officer's career.

According to a high-ranking Air Force source, Julia ordered that Rodriguez be placed on inactive status, awaiting assignment. Julia's decision was endorsed by President Carlos Menem, who signed the document placing Rodriguez on inactive status.

Air Force Deputy Chief of Staff Discharged

PY1207151091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1515 GMT 11 Jul 91

[Text] Buenos Aires, 11 Jul (NA)—Brigadier Tomas Rodriguez, the Air Force deputy chief of staff, has been officially notified that his status is that of inactive awaiting assignment. This means that Rodriguez is automatically discharged from his post.

The deputy chief of staff filed a suit with the civil courts in which he charges his superior, Brigadier Jose Julia, with "improper performance of his duties as a public servant" for which Rodriguez was punished with a 30 day arrest for "indiscipline."

Brigadier Henry Graton, chief of the Air Force personnel department, has notified Rodriguez of the decision.

According to a high-ranking Air Force source, Julia has ordered that Rodriguez be placed in an inactive status.

The order by Julia was endorsed by President Carlos Menem, who signed the document placing Rodriguez on inactive status.

Army Chief of Staff Disbands 4th Army Corps

PY1207170291 Buenos Aires TELAM in Spanish 1533 GMT 11 Jul 91

[Text] Santa Rosa, 11 Jul (TELAM)— General Martin Bonnet, Army chief of staff, has reaffirmed "the total unity and the dedication of the Army to restructure itself, seeking to make it a smaller force that can be rapidly deployed in line with the needs of the country."

Bonnet spoke during a press conference held a few minutes before the ceremony to disband the 4th Army Corps, which is headquartered in this city. He said: "Our institution, like other sectors of the country, is going through a difficult budgetary period. There is always concern over the salary issue, but we are sure that the situation will be overcome through the economic recovery of the nation."

After pointing out that the Army has suffered no repercussions as a result of the trial of the "painted faces," Bonnet said that Argentina "has joined the community of modern nations and the restructuring of the Armed Forces seeks to meet the demands posed by this process."

Asked about the future of the units that were subordinate to the 4th Army Corps, Gen. Bonnet said that the 8th Brigade of Mendoza will be transferred to the 3d Army Corps, that the 6th Brigade of Neuquen will be transferred to the 5th Army Corps, and that a brigade that has not yet been created but that will have armored and mechanized equipment will be subordinate to the 5th Army. This brigade will be headquartered in the central zone of the country.

Economy Minister Responds to Province Claims

PY1407224091 Buenos Aires BUENOS AIRES HERALD in English 13 Jul 91 p 11

[Text] (NA-DYN)—In an effort to untangle the financial mess between the central government and the provinces, Economy Minister Domingo Cavallo began assembling figures yesterday reflecting the current national state of accounts.

"The oil-producing provinces are jointly suing the government for the non-payment of nine billion dollars in unpaid royalties," Cavallo said last night. "We believe this claim to be, to say the least, exaggerated."

But Cavallo said that the provinces, excluding Buenos Aires, owe the national government a total 1.4 billion dollars, and that there are only three creditor provinces: Formosa, Neuquen and Santa Fe.

Cavallo also rejected claims from his native province Cordoba that it was owed money by the central government, saying his figures showed the opposite, and that Cordoba owed Buenos Aires 18 million dollars.

Despite this week's financial fireworks when the province of Rio Negro unilaterally appropriated 16 million dollars from the Central Bank to pay provincial wages, bringing about an angry reaction from the central government, Cavallo said sparks from that flare-up would not catch in other provinces.

"We don't see provincial banks as being in a delicate situation," Cavallo said. "The only problems are in La Rioja and Rio Negro."

The provinces and the central government are caught in a credit and debt web in which the precise amount of money owed in oil and mining royalties, federal revenue-sharing funds and unsettled lawsuits remains unknown.

A meeting of provincial governors has been called by Interior Minister Julio Mera Figurero for Tuesday [16 July] to review accounts.

Even usually mild-mannered Cordoba Governor Eduardo Angeloz joined the fray, demanding the impeachment of Cavallo for trying to whittle down the central government's 300 million-dollar debt with that province with "untransferable" government bonds.

The financial discontent which seemed ended on Thursday in apparently successful negotiations between the government and Rio Negro Governor Horacio Massaccesi returned yesterday when Cavallo said "there are no negotiations with Massaccesi" and that criminal charges against him for the appropriation of Central Bank funds would not be withdrawn.

Cavallo said that the embargo on Rio Negro federal revenue-sharing funds and on oil royalties would also be maintained for the time being.

Cavallo Criticizes Attitudes of Deputies

PY1407224491 Buenos Aires BUENOS AIRES HERALD in English 13 Jul 91 p 11

[Text] (NA-DYN)—Economy Minister Domingo Cavallo yesterday rapped deputies who refuse to provide quorum for Lower House sessions, saying they were hurting the interests of pensioners just for electioneering reasons.

The minister further remarked that attitude of deputies had cost the pensioners a month of pay hikes. "They won't collect their hike in August but September," he said.

Speaking to journalists at the Economy Ministry, Cavallo stressed that those who do not provide quorum "seek to destroy the economic plan and trigger inflation before the elections. But they are wrong, because no law is essential to the health of the (government's) plan."

In related developments, Lower House speaker Alberto Pierri branded legislators who fail to attend parliamentary sessions as "irresponsible" and confirmed they would be reprimanded.

"Pensioners won't be able to collect their measly 300,000- australs hike just because some legislators did not show up at the chamber yesterday," the Justicialist deputy pointed out.

In statements over a local radio, Pierri said he could understand absenteeism when "political stances" were involved but not when it was unjustified.

"I will give the names of legislators who fail to attend three consecutive sessions either in the (Lower) House or in any of the committees, and I am going to have the pertinent portion of their salaries docked," he announced.

Meanwhile a list of 11 "reluctant" deputies who have skipped the past five House session without previous warning will be made official next week. Insiders anticipated the names were as follows: Federico Storani, Alberto Gonzalez and Carlos Raimundi (Radicals); Carlos Adamo, Manuel Carbo, Jose Remigio Lopez, Carlos Monteverde, Eugenio Morales, Olga Ruitort and Ines Botella (Peronists); Ruth Monjardin de Masci (Federal Party).

Congressional sources said absentee rates in the different House committees amount to nothing less than 60 percent, whereas non-attendance to chamber sessions is well beyond 40 percent.

On the other hand, it was revealed that 31 legislators are abroad on official duty or as tourists, while a similar number have travelled to other destinations within Argentina, during the "semi-secret recess" recently approved by the congressional work committee.

Finally, Pierri hoped that next Wednesday [17 July] the chamber would be back to normal "with the attendance of almost all legislators."

Seven 'Stowaways' Still on Board Cypriot Vessel

PY1207161691 Buenos Aires TELAM in Spanish 1601 GMT 12 Jul 91

[Text] Buenos Aires, 12 Jul (TELAM) — The Cypriot vessel Sea Queen II, which is anchored in the roadstead of the port of La Plata with seven stowaways on board, will depart within the next few hours for the port of San Lorenzo, where it is scheduled to load grain.

National Migrations Directorate sources told TELAM at noon today that the seven stowaways (six Iranians and one Iraqi), who are presumably former soldiers who fought in the Gulf war, remain on board the vessel and they have not disembarked because they are "citizens without documents."

Argentine River Police sources, based in Ensenada, have stated that they do not know precisely when the vessel will depart for the Santa Fe Province port.

Members of 62 Organizations Secretariat Named

PY1307182091 Buenos Aires TELAM in Spanish 2359 GMT 1 Jul 91

[Summary] Buenos Aires, 1 Jul (TELAM)—During a congress held at a downtown Buenos Aires hotel on 1 July, Luis Barrionuevo, Lorenzo Miguel, Saul Ubaldini, and independent labor leaders were designated members of the national secretariat of 62 Organizations. The secretariat issued a document advocating unity in the labor movement.

Minister Announces Pay Hike for Military

PY1407223891 Buenos Aires BUENOS AIRES HERALD in English 13 Jul 91 p 11

[Excerpt] (NA-DYN)—Military personnel will receive a 10 percent salary increase, Defence Minister Antonio Erman Gonzalez announced yesterday.

The hike has not yet been paid but the minister said that he had discussed the proposal with his Economy counterpart Domingo Cavallo and received the green light for the payment. [passage omitted]

Bolivia

Paz Zamora Begins Talks With Political Leaders

PY1507023291 La Paz Television Boliviana Network in Spanish 0200 GMT 11 Jul 91

[Text] President Paz Zamora today began talks with the leaders of political parties. President Paz Zamora's new policy began with the presence of Carlos Palenque, president of the Conscience of the Fatherland movement, at Government Palace. After a private meeting, Palenque reported the results of the talks to the press.

[Begin Palenque recording] The president of the Republic noted the urgent need to modernize the Bolivian State, modify the Constitution, carefully draft a law on judicial organization, and finally, make political parties reach an agreement on electing members of department electoral courts and the national electoral court. We also discussed the country's democratic stability. [end recording]

In the afternoon, President Paz Zamora met with Antonio Aranibar, leader of the Free Bolivia Movement [MBL], who made the following remarks:

[Begin Aranibar recording] The MBL took the opportunity to propose not only its viewpoint on problems affecting the country but to report to the president on the political proposal that the First MBL Congress launched on 6-9 July; this proposal was thoroughly analyzed and delivered to the different political sectors and is also being analyzed by the country's social forces. I discussed these matters with the president in an atmosphere of cordiality, mutual respect, and deep concern for the outcome of a process that we hope can help strengthen democracy and resolve Bolivia's basic problems. Our disagreements have not disappeared. We have not made any specific decision. We exchanged viewpoints on the current situation that concerns the government, the opposition, and consequently, the entire country. [end recording]

More Reports on Antidrug Operation in Santa Ana

Army Participation Denied

PY1207134091 La Paz Television Boliviana Network in Spanish 0200 GMT 12 Jul 91

[Excerpts] According to President Jaime Paz Zamora, the Army did not participate in the operations carried out in Santa Ana de Yacuma. He added that the operation was carried out by members of the police forces as is customary. [passage omitted]

Referring to private sector investments in Bolivia, Paz said that this sector is beginning to gain confidence in the country and has started to invest. He predicted that if people are optimistic and confident, investments will continue to grow. [passage omitted]

'Mistreatment' by Agents Denounced

PY1307034891 La Paz Television Boliviana Network in Spanish 0200 GMT 13 Jul 91

[Text] During a meeting of the Constitution, Justice, and Judicial Policy Committee of the Chamber of Deputies, Deputy Fernando Iriarte of Beni Department formally stated that he was mistreated by a DEA agent. Foreign Minister Carlos Iturralde attended the meeting.

[Begin Iturralde recording] Deputy Iriarte was mistreated by two DEA agents in Santa Ana and he asked me to make a formal protest to the U.S. Government. He explained to me what happened and of course I will immediately make a formal protest. [end recording]

In turn, Deputy Iriarte said:

[Begin Iriarte recording] We asked the foreign minister to—with the aid of a foreign diplomatic mission—clearly give us the names of the two foreigners who intervened in the Santa Ana operation during which I was mistreated. [end recording]

Deputy Gutierrez said that no meaningful results should be expected from this meeting because the committee is currently investigating and collecting evidence. The only conclusion reached by the committee today was that the guilty DEA individuals must be identified and their responsibility proven so that, based on a final report, the necessary measures may be adopted.

Agents 'Directly Involved'

PY1507022291 La Paz Radio Fides Network in Spanish 1100 GMT 13 Jul 91

[Text] The government has decided to restructure the Special Antinarcotics Force [FELCN], definitively separating it from the national police in order to exercise tighter control over members of the force. Interior Minister Carlos Saavedra Bruno has admitted that U.S. DEA personnel are directly involved in antinarcotics operations, disregarding bilateral agreements that say DEA agents should provide intelligence and assistance.

For his part, Foreign Minister Carlos Iturralde promised the congressional committees on constitution, justice and judicial police; drug trafficking; and human rights that on 16 July, he would submit the agreements signed

by the U.S. and Bolivian Governments on DEA operations. The minister will also provide detailed information on U.S. economic aid for the antidrug fight. He will also submit documents on alternative development projects.

Iturralde promised to submit a note to the U.S. Embassy on the abuses and heavy-handedness of DEA agents in Santa Ana de Yacuma, especially in connection with their outrageous behavior toward lawmaker Fernando Iriarte, chairman of the Constitution, Justice, and Judicial Police Committee. This information was released by Deputy Gregorio Lanza.

[Begin Lanza recording] We have asked for information on the abuses and excesses that the FELCN committed in Santa Ana and on the abuses that the FELCN is constantly committing.

The minister told us that the FELCN will be restructured, that a decree will most probably restructure this force in the next few days. The most important fact is that the FELCN will no longer depend on the Bolivian police. It will thus be possible to request information on the FELCN budget so that its members do not suddenly become the owners of vehicles, Mercedes, mansions, houses, and country homes barely four months after joining the force.

The Chamber of Deputies Narcotics and Constitution Committees are convinced that the DEA is exceeding the terms of bilateral agreements, that it is directly participating in operations, and that it is undertaking actions such as the one taken by two DEA agents against Deputy Fernando Iriarte, chairman of the Constitution Committee, whose congressional immunity and authority were not recognized.

We asked the foreign minister to submit a note with the U.S. Embassy about the abuses that two DEA agents committed against Deputy Fernando Iriarte. We expect the results of this investigation in the next few days so that these two DEA members leave Bolivia, because they cannot be allowed to violate Bolivian law and they cannot be allowed to act in an extremely heavy-handed manner, as they did against the chairman of the Chamber of Deputies Constitution Committee, who is, in fact, in charge of the state prosecutor's office. We believe that this type of behavior cannot be tolerated. [end recording]

Editorial Criticizes U.S. Policy

PY1507020091 La Paz PRESENCIA in Spanish 6 Jul 91 p 3

[Editorial: "A Wrong Approach"]

[Text] A diplomatic assignment that will end in a few days will leave Bolivia with the bitter taste of interventionism. This interventionism has been so obstinate that it has sometimes reminded us of the "big stick" [preceding two words in English] policy that was believed to be over, especially now that the United States has emerged as the world's first power.

It must be difficult for U.S. diplomatic representatives to bear such a heavy burden, avoiding any show of power despite knowing that, for the time being, no other country can either challenge or share this responsibility. It is precisely in adversity and prosperity that statesmen's virtues are revealed. It is in prosperity that statesmen either get dizzy or show that they have not forgotten the temporary nature of earthly glory.

The community of nations has established several principles as part of international law in order to prevent the powerful from trampling on the weak. At the same time, a group of professionals with a tactfulness that laymen or politicians often lack were entrusted with the task of ensuring a harmonious, respectful relationship between states.

Even taking for granted that diplomats have these qualities, the United States has established strict behavior standards that its diplomats must observe. Among these rules is that they must not interfere in the internal affairs of other countries and that they must respect the institutions of those countries.

These rules have been violated over and over again by the current U.S. ambassador to Bolivia who, displaying outrageous behavior on several occasions, has assumed functions that belong to national authorities without hesitation when he has not been pressuring them to adopt actions that they, apparently, were not willing to carry out.

Proof of this is his latest statement holding civilian and military authorities responsible for the failure of the antidrug operation in Santa Ana, putting in doubt their and other politicians' performances. These charges, as is only logical, have stirred up a great commotion; neither has the government, which recently decorated him, refrained from criticizing him.

To only criticize means confirming a situation of which the people demand clarification. Likewise, the ambassador has the duty of submitting to the Bolivian Foreign Ministry proof of his charges, and the government must investigate them until they are completely clarified.

The wrong approach of U.S. policy—which is confirmed by the behavior of the outgoing ambassador—has been obvious on several occasions. Among them is the performance of DEA agents in Santa Ana as well as in previous operations and the sick determination to "militarize" the struggle against drug trafficking, which has led to what we now regret: Drug trafficking will not only involve the police, but it will once again contaminate the Armed Forces.

In Bolivia's agenda for bilateral relations with the United States there are subjects of mutual interest that are difficult to implement such as the struggle against

drug trafficking in which remarkable efforts are necessary, but also adequate people to implement them.

Contradictions in Drug Operation

PY1507032891 La Paz EL DIARIO in Spanish 7 Jul 91 p 2

[Editorial: "Dangerous Contradictions"]

[Text] Something is wrong with the government's information or communications policy or there are simply too many coincidences that result in confusion. This, in turn, it is bad for the country because of the conclusions it may prompt, especially abroad. The point is that a lot of misinformation, contradictions, and even clumsiness have followed the police operation in Santa Ana rather than clear information, as is the duty of authorities.

Let us examine why. While the U.S. ambassador—and this is not the first time this has happened—gave the media many details of the operation in Santa Ana, which included alarming disclosures about the way in which some officials and even Navy members behaved, the interior minister acted surprised and said he knew nothing about it or that he had not yet been informed. Undoubtedly, the first conclusion is that the interior minister wanted to conceal these serious incidents, which would mean misinforming the people, or that he was truly unaware of what happened, presupposing that the situation was serious due to easily perceptible risks.

We must note that the interior minister is primarily responsible for the internal security of the country and government. He is supposed to be aware of everything that happens within Bolivia, especially when his aides—in this case the police—participate in an operation of the magnitude of the one in Santa Ana. The interior minister, in his capacity as head of the sector, is also supposed to be the first person to receive any report on developments, even before the president of the Republic, who is informed by the interior minister. If this is the case, how can the interior minister say that he knows nothing of comments made by an ambassador who is also concerned about the problem because his country is actively participating in the struggle against drug trafficking?

What is more surprising still is that the interior minister, in answering journalists about the U.S. ambassador's comments, said: "It may be a supposition, we must verify it." Here, somehow or other, there is a certain stubbornness, but at the same time uncertainty. No interior minister can afford to say "may be." His mission, because we suppose he already knows what happened, is to deny or confirm what the ambassador said.

These contradictions are very dangerous in such a risky struggle as the struggle against drug trafficking. We do not believe an ambassador, shortly after receiving the highest Bolivian decoration, would go around inventing things that could jeopardize his career. Neither do we believe, that the interior minister knows nothing about the operation. Something is very wrong and the government has a duty to clarify matters for the sake of its own interests and its prestige.

Militarized Antinarcotics Struggle Reaffirmed

PY1207152491 La Paz Radio Fides Network in Spanish 1100 GMT 12 Jul 91

[Text] The government of National Unity has reaffirmed the militarization of the antinarcotics struggle, and has guaranteed that the Army and the DEA will not affect trade union rights or trample all over the properties of the coca producers of the tropical Chapare region in their all-out struggle to detain drug traffickers.

This statement is included in a document signed by the interior minister, the peasant affairs minister, coca producers leaders, and leaders from the General Trade Union Confederation of Peasant Workers of Bolivia. [recorded passage indistinct]

No Extradition for Drug Lords Who Surrender

PY1407023691 Madrid EFE in Spanish 2318 GMT 13 Jul 91

[Text] La Paz, 13 Jul (Andina)—The interior minister stated today that "those who surrender voluntarily will not be handed over to U.S. courts." He was referring to Jorge Flores Moises, alias "Capitan" or "Capi," the second presumed drug trafficker to announce that he will turn himself in to authorities within the next few hours.

Erwin Guzman, a former Air Force officer considered by antidrug organizations as the main leader of the Santa Ana Cartel, turned himself in on Thursday, 11 July, and said he is willing to be "prosecuted and punished by Bolivian laws, among which are Erwin Guzman and Flores Moises. [sentence and no closing quotes as received]

"Capitan" Flores said that many of those who are persecuted would like to turn themselves in to authorities. He added that agents of the DEA and the Special Antinarcotics Force blackmail them, and, therefore, they are also accomplices in cocaine trafficking.

Police Identify Alleged Guerrilla Army Leader

PY1207180291 La Paz PRESENCIA in Spanish 6 Jul 91 p 1

[Text] The national police intelligence organizations have identified the "ringleader" of an irregular group, the so-called Tupac Katari Guerrilla Army [Ejercito Guerrillero Tupac Katari] (EGTK). Colonel German Linares, the police intelligence chief, has said that the EGTK leader is Felipe Quispe Huanca, who reportedly began participating in terrorist actions in 1988.

The police high command has declared a "red alert and permanent patrolling in strategic points" in the country's regional capitals. Police Deputy Commander General Alfonso Rengel has told PRESENCIA that the recent terrorist attacks represent evidence of the reorganization

of terrorist groups in the country. This fact was observed some time ago by the police who are ready to disperse this group, Rengel noted.

In view of the government's concern and the rejection by various organizations of the use of violence as a method of struggle, the specialized intelligence organizations have reported that they are following clues that will lead them to those responsible for the terrorist actions.

Linares indicated that Quispe is wanted by state security organizations. According to preliminary reports, one person has reportedly been detained, charged with being involved in the attacks [words indistinct] Thursday.

The police have confirmed that the EGTK has initiated its activities in the country, emphasizing that despite dynamite attacks, "tranquillity prevails."

It has been learned that the EGTK reportedly comprises university students "of peasant origin" who follow a radical pro-indian position.

Without ruling out possible connections between the EGTK and the weakened Nestor Paz Zamora Commission (CNPZ), Linares said: "Evidence and details are evaluated on the site of the events."

Press reports point out that the EGTK, in its public declaration [not further specified], notes: "We provide our own resources for the country, but others are taking advantage of this (...) We suffer more hunger and more misery and the gringos want to affront us. We must expel them."

Interior Ministry officials have pointed out that the case is being investigated and that the clues point to the fact that the EGTK is a small group. The possibility of new attacks, aimed at upsetting the population, has also been ruled out. A decision has been made to reinforce patrols in certain points of the city that could be considered "military targets" by the aforementioned group.

Plan To Close State-Owned Mining Fund Reported

PY1307190091 La Paz EL DIARIO in Spanish 26 Jun 91 p 1

[Summary] Rafael Delgadillo, mining investment under secretary, has justified closure of the National Mining Research Fund (Fondo Nacional de Exploracion Minera) [Fonem]. He said that the institution has concluded its activities, and the project designed to reorganize and modernize state-owned enterprises foresees the closure of Fonem, which has not successfully met its economic objectives.

Comibol Signs Major Contracts With Enterprises

PY1407032691 La Paz EL DIARIO in Spanish 30 Jun 91 p 7

[Summary] The Bolivian Mining Corporation [Comibol] has signed five major contracts with national and international private enterprises. Rafael Delgadillo, Mining Investment Under Secretary said that the most important contract was signed with the Mimproc [expansion unknown] enterprise. This contract calls for an investment of $90 million in the mining district of Colquiri, where new technologies for the treatment of minerals are going to be implemented.

Foreign Debt Totals $3.673 Billion Through March

PY1407012091 La Paz PRESENCIA in Spanish 27 Jun 91 p 4

[Text] Bolivia's overall medium-and long-term foreign debt by March 1991 was $3.673 billion. The country's largest debts are for credits granted by multilateral financial organizations and government agencies.

According to the Bolivian Central Bank statistics report, multilateral organizations such as the Inter-American Development Bank, the World Bank, the International Development Association, the IMF, and others are the major creditors.

Debt to multilateral organizations totals $1.702 billion. In this group, the largest debt is owed to the IMF—$377.3 million.

The second group of creditors is made up of government agencies to which Bolivia owes a total of $1.369 billion. The U.S. Agency for International Development (USAID) is this group's major creditor, to which Bolivia owes $337.4 million.

Regarding debts to governments, the Central Bank report states that Bolivia owes the most to the United Kingdom—$68.8 million. The other creditor countries include the FRG, the United States, Japan, Switzerland, Denmark, Belgium, and France.

According to the Central Bank report, the overall debt to governments totals $271.1 million.

Debt to international banks with government guarantees totals $23.5 million, while debt to foreign banks without government guarantees totals $3.9 million. [Figures as published]

Argentina Makes Payment for Natural Gas

PY1507033091 La Paz Television Boliviana Network in Spanish 0200 GMT 11 Jul 91

[Summary] Central Bank Chairman Raul Boada has reported that from May 1989 to February 1990, Argentina paid Bolivia $345.2 million for Bolivian natural gas. Boada has also reported that another payment was made last February and that in 1991, Bolivia will receive $220 million from Argentina for the gas it will export to that country.

Brazil

Collor Cites Need for North-South Reciprocity

PY1507033491 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 13 Jul 91

[Text] Next week President Fernando Collor will participate in the first meeting of heads of Ibero-American governments in Guadalajara, Mexico. During an interview by Televisa, Mexico's state-owned television channel, Collor asserted that the difference between the southern and northern hemispheres will be one of the issues raised during the summit.

Collor said that the time has come to discuss the need for reciprocity between rich and poor countries with regard to capital and technology. During the interview, Collor said it is more than obvious that in order to grow, one needs a fully enforced democracy and a free market economy focused on the social sector.

[Begin Collor recording] We already have the system—that is, a democratic system—and we have a free market economy. Within this framework we must seek solutions to our problems, we must even seek to keep the democratic flame lit. I believe this is a reason why northern countries will want to treat southern countries with reciprocity. [passage omitted]

The Portuguese prime minister and the Spanish king will also participate in the Guadalajara summit.

Highlights of National Agricultural Plan

PY1207173491 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Jul 91 Economics Section p 3

[Excerpts] In the town of Presidente Prudente yesterday, Agriculture Minister Antonio Cabrer unveiled the main points of the National Agricultural Plan (PNA), which, he believes, "will secure large harvests for Brazil." Among other measures, the PNA will make available 1 trillion cruzeiros, create a compensatory tax on imported agricultural products that are subsidized in the country of origin, and eliminate Industrialized Products Tax (IPI) on agricultural tractors and machinery.

Minister Cabrera believes the agricultural package, which was signed by President Fernando Collor yesterday, will guarantee compliance with the Agricultural Law. He also considers an "important advance" the elimination of the IPI and the suspension of the Finsocial [Social Investment Fund] contribution. To further help small farmers, the government has established the "financing equivalence" principle which will ensure debt payments on the basis of the size of the crop financed. For instance, if the farmer obtains financing for 20 bags of beans, he will have to repay the price of 20 bags when they are harvested. The agricultural package also regulates the Proagro [Crop Insurance Program] and all farmers will now have access to this program to ensure their crops. The 1 trillion cruzeiros allocated to this plan will be controlled by a joint commission of the Agriculture Ministry and the Economy Ministry. [passage omitted]

The highlights of the plan unveiled by Minister Cabrera are as follows:

Tax burden—the IPI on agricultural machinery and other supplies and Finsocial contributions on agricultural products are eliminated.

Rural credit—1 trillion cruzeiros will be made available under the control of an interministerial commission that will report on the distribution of credits every 10 days.

Marketing—the food products futures market is instituted so that exporters may obtain advances of foreign exchange to invest in the production of crops for exports.

Basic Financing Value (VBC)—the government has readjusted the VBC for this season to the IPC [Consumer Price Index] variation.

Compensatory tax—a compensatory tax on imported agricultural products that are subsidized abroad has been created.

Reclassification—the government will reclassify agricultural producers on the basis of their agricultural income. Those with an annual income of up to 10 million cruzeiros (3.5 million cruzeiros currently) will be considered small farmers.

Coffee—the Bank of Brazil will release 20 billion cruzeiros for the coffee harvest.

Pre-financing—the Bank of Brazil will release 170 billion cruzeiros for crop pre-financing.

Support prices—the minimum price of basic food basket products will be readjusted above the IPC.

Market intervention—the government will create the Stockpile Release Price (PLE) as a maximum market price for agricultural products. Whenever the PLE is surpassed, the government will cut official financing lines, eliminate the import tax on the agricultural product in question, and release its buffer stockpiles at the PLE price.

Collor Launches Plan

PY1407021091 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 10 Jul 91

[Passages within quotation marks recorded]

[Text] The National Agricultural Plan was launched today in Presidente Prudente, Sao Paulo State. It earmarks 1 trillion cruzeiros for the agricultural sector.

President Fernando Collor stopped practically all other activities in Presidente Prudente, 558 km west of the Sao Paulo capital, where he announced the National Agricultural Plan late this morning. During his three-hour

sojourn in this city, President Collor met with many demonstrations of support for his policies at the helm in Planalto Palace.

President Collor arrived at 1000 aboard a FAB [Brazilian Air Force] plane and was received, as protocol mandates, by Sao Paulo Governor Luiz Antonio Fleury Filho. Scores of people came out for his arrival. On the streets outside the airport, rural producers driving cars welcomed the president.

The president fulfilled two commitments. The first was a quick visit to the Educational Center, and the second was his participation in a public rally at the municipal stadium (Caetano Peretti), known as the Peoples' Park. Thousands of people were on hand for the ceremony, which began with fireworks. More than 300 mayors, regional politicians, and rural producers were present, in addition to the governors of Sao Paulo, Mato Grosso do Sul, and Goias.

Agriculture Minister Antonio Cabrera delivered a speech from the platform, referring to the new measures instituted by the National Agricultural Plan, which will made 1 trillion cruzeiros available. Closing the ceremony, President Collor spoke, stressing the advances those measures will make possible in the country's economic development. Immediately after the ceremony, President Collor returned to Brasilia in the FAB plane, which took off at 1255.

In the speech he delivered in Presidente Prudente, President Collor reaffirmed his commitments to Brazil, Sao Paulo, and the agricultural sector. He said that the country's agriculture is making progress and that, although the measures are not all that the sector wishes, they are all the government can do. The president recalled that the country is going through difficulties and that the house must be put in order.

"We are not short on the determination and courage to adopt the measures that are necessary to balance our economy and to lay down the foundations for the economic growth that we still will bring about during our government tenure."

The president explained that to put the house in order, public investments, which are being resumed, must necessarily be cut down.

"I would liken those investments to a blanket that is not big enough to cover all the demands and requests that can be justly made. We now are preparing the soil where this country will grow toward the great future that is in store."

In his speech, President Collor especially addressed the states of Sao Paulo, Parana, and Mato Grosso do Sul.

"I can tell you that I have my eyes turned to these states that are particularly apt for agricultural production, work, and development. So, I will always be alert to their just demands because we will never build a strong country if we cannot count on an agriculture that produces enough food to fill the bellies of all Brazilians and their families."

The president called on mayors and political leaders to lead efforts in their communities. To that end, Collor said, the three levels of government—federal, state, and municipal—must act in coordination.

According to President Collor, today—more than ever—it is necessary for political leaders to be united to work for the country's well-being.

"The public now wishes that political leaders of this country, regardless of partisan or ideological colors, find a common ground where they can coexist and work together for the good of the Brazilian fatherland."

President Collor placed the federal government at the beck and call of the Sao Paulo governor. He said that Fleury Filho has a friend in the Planalto Palace and that he can call on the federal government whenever he needs it.

"Between the president and the governor there is no need for middlemen to make contact possible. The governor of Sao Paulo and the president of the Republic can talk whenever it is necessary for the development of his state and our country."

President Collor expressed thanks to the Sao Paulo governor and the congressmen for their support of his government to proceed with the program of economic reforms.

Group of Seven To Participate in Amazon Project

PY1207160491 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 12 Jul 91

[Text] The Group of Seven, comprising the United States, Canada, Germany, France, Italy, the United Kingdom, and Japan, will participate in a pilot project to protect the Amazon region. Funds for this project total of $1.25 billion.

This information has been supplied by Luiz Felipe Macedo Soares, the head of Itamaraty Environment Department.

Macedo Soares said that the funds could be released during the Group of Seven's meeting scheduled for next week in London.

IAEA To Oversee Nuclear Agreement With Argentina

PY1307004691 Rio de Janeiro O GLOBO in Portuguese 7 Jul 91 p 47

[Article by Cristiana Mendes Lobo]

[Text] Brasilia—Brazil and Argentina will sign a bilateral agreement on nuclear safeguards that will be overseen by the International Atomic Energy Agency (IAEA). The agreement will be submitted to the National Congress in August 1991, and, after approval, it will be signed by Presidents Fernando Collor de Mello and Carlos Menem

at IAEA headquarters in Vienna, Austria, on 18 September. After signing the agreement, President Collor will leave for New York to deliver a speech at the UN General Assembly opening session.

The report was released by Strategic Affairs Secretary Pedro Paulo Leoni Ramos and Science and Technology Secretary Jose Goldemberg.

With this agreement, Brazil and Argentina will submit to specific IAEA controls. This does not mean, however, that Brazil will adhere to the nuclear Nonproliferation Treaty (NPT).

"The NPT is unacceptable," Leoni Ramos said.

According to him, the agreement on nuclear safeguards between Brazil and Argentina that will receive IAEA support has specific characteristics, and it is a continuation of the Foz do Iguacu Charter, signed by the presidents of the two countries in November 1990.

"The treaty between the two countries respects some logical IAEA requirements," Leoni Ramos said. According to him, it is an important step in this area and a natural result of the guidelines established by Brazil and Argentina.

"There is no change in direction. It is just a natural development," Leoni Ramos said, explaining the fact that the IAEA's approval of the treaty does not mean that Brazil agrees with the NPT.

"It is a tripartite agreement where Brazil and Argentina will receive the support of the top atomic energy organization, which is the IAEA," the secretary said.

Since 1988, Brazil and Argentina have been discussing oversight agreements in the nuclear sector. In November 1990, the two countries decided to create a Common System of Accounting and Control (SCCC) [Sistema Comum de Contabilidade e Controle] that provides for the exchange of information, confidential documents, and a list of nuclear materials in the two countries.

At the meeting between Presidents Fernando Collor and Carlos Menem, it was decided to open negotiations with the IAEA to sign a safeguard agreement.

Correction to Japanese Red Army Suspect

PY1207124091

The following correction pertains to the item headlined "Japanese Red Army Suspect in JAL Bomb Case," published in the 12 July Latin America DAILY REPORT, page 18:

column one, paragraph three, last sentence make read: ...Brazilian newspapers and the paper tissues [papel de lava rapido] that were used to wrap the bomb are...(rewording)

* Correction to Joint Ventures With PRC

91SM0396C

The following correction pertains to the item headlined "Formation of Joint Ventures With PRC Viewed," published in the 10 July Latin America DAILY REPORT, page 22:

Column two, sourceline should read: 91SM0396B Sao Paulo GAZETA MERCANTIL in Portuguese 14 May 91 p 6 (supplying correct date)

Chile

Aylwin Departs for Colombia, El Salvador, Mexico

PY1507024891 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 15 Jul 91

[Excerpts] Happy with the conclusion of the conflict at Chuquicamata, President Patricio Aylwin has begun his one-week trip to Colombia, El Salvador, and Mexico. Among his many activities, Aylwin will meet with Fidel Castro, the Cuban chief of state.

[Begin recording] The traditional ceremony in which Interior Minister Enrique Krauss assumed the vice presidency was held prior to President Aylwin beginning his trip. [passage omitted] [end recording] [passage omitted]

Negotiations To Renew Relations With Cuba Begin

PY1207153691 Santiago LA TERCERA DE LA HORA in Spanish 3 Jul 91 p 14

[Text] Chamber of Deputies President Jose Antonio Viera-Gallo returned last night from Cuba. He is optimistic about the current negotiations that seek to rapidly reestablish diplomatic relations between Chile and Cuba.

He said that he hopes that the first meeting of Ibero-American presidents, which will take place on 15 July in Guadalajara, Mexico, will witness direct talks on the topic between Chilean President Patricio Aylwin and Cuban President Fidel Castro.

Viera-Gallo visited Cuba from 29 June to 2 July at the invitation of the president of the National Assembly of the People's Government. He spoke with government officials and dignitaries of the Catholic Church seeking in-depth knowledge of Cuba's current situation, and to discuss matters pertaining to the opening of relations.

He also reported that on 1 July he met with Fidel Castro and that they thoroughly discussed the topic of bilateral relations. The congressman said that "it would be normal for Chile to reestablish relations with Cuba because it is our policy to maintain relations with all countries, irrespective of the type of governments they have, the same as we do with the PRC, South Africa, etc."

Foreign Minister on Ties

PY1207175891 Santiago Radio Cooperativa Network in Spanish 2300 GMT 11 Jul 91

[Report by Carmen Castro from the Foreign Ministry]

[Text] Today, Foreign Minister Enrique Silva Cimma said that neither Cuba nor Chile are in any rush to restore diplomatic relations and that no decisions have been made regarding an eventual resumption of ties. Silva Cimma added that the government has not set any deadlines to restore relations.

Regarding the meeting of President Patricio Aylwin and Fidel Castro at the Guadalajara summit in Mexico on 18-19 July, and which has been personally confirmed by President Aylwin, Silva Cimma asserted that no agenda has been established and that Aylwin has only officially arranged the meeting with Portuguese President Mario Soares at the latter's request.

The foreign minister answered questions about the situation with Cuba.

[Begin recording] [Unidentified reporter] One of the proposals in the platform of the Coalition of Parties for Democracy was to resume diplomatic relations with all countries. Cuba's case has been handled separately due to [words indistinct]. What I want to know is whether the Chilean foreign policy has a new requirement for the possible resumption of relations.

[Silva] The disposition of the Chilean Government has not varied. Relations are, in principle, established with all the countries of the world regardless of their ideology. This stance has not varied at all.

[Reporter] [Question indistinct]

[Silva] No, nothing of the sort. Actions become more or less dynamic according to the reception they receive.

[Reporter] [Question indistinct]

[Silva] For the time being Cuba is not in any rush to resume relations with Chile and vice versa. [end recording]

Silva Cimma did not mind the great number of questions journalists made about the resumption of relations with Cuba. He said that signals in this directions exist. When asked about positive signals by Cuba which, according to analysts, indicate an attempt to resume relations—among them the recent release of Chilean citizen Juan Carlos Prado, who spent 11 years in a Cuban prison charged with espionage—Silva Cimma told the journalists that these were mere speculations by the media. The foreign minister said that there are still pending issues like the return of the money paid for a shipment in 1973 of Cuban sugar which never reached its destination. Silva Cimma noted that the speed of events in international relations varies.

Combined Exercises With U.S. Troops Begin

PY1207155491 Santiago LA TERCERA DE LA HORA in Spanish 2 Jul 91 p 12

[Text] Some 110 members of the Southern Command of the U.S. Armed Forces, based in Panama, have begun combined exercises with the Chilean Army, Navy, and Air Force in the region of Chico Norte. The exercise will simulate a complex air-lifted medical evacuation, command, and control operation [evacuacion aero-medica, mando y control].

The operation comes within the framework of a military exchange agreement between the two countries that was set up when Defense Minister Patricio Rojas visited the Pentagon (in Washington). The minister highlighted the benefits of the joint exercises, emphasizing the new tactical, technical, and planning skills that will be acquired, among them how to lead combined operations.

The operational command center of these exercises, which are called "United Forces Chile 91" and which will last until 13 July, is in the hands of the Chilean Army, according to Minister Rojas, who reported that the 32d version of the "Unitas Operation," between the U.S. and Chilean Navies, will take place along the country's coasts between 5 September and 5 October.

Exercises 'Complete Success'

PY1507015291 Santiago Radio Cooperativa Network in Spanish 2300 GMT 12 Jul 91

[Excerpt] The exercise called United Forces Chile '91 has been seen as a complete success. For two weeks, more than 500 Chilean Navy, Army, and Air Force troops and more than 100 U.S. Marines and soldiers have participated in these combined exercises in the northern (Quilimari-Pichirangue) region, some 200 km north of Santiago, in the Fourth Region.

The exercise concluded this morning with a simulated rescue operation by airborne medics. The exercise included decontamination of (rivers) in the event of a chemical warfare attack, infiltration of tactical frogmen, the air drop of several units of frogmen, and the participation of U.S. Marines.

There was only one casualty during the military exercise. He was identified as Corporal (Eric Trozel), who broke his ankle when he jumped onto one of the beaches in (Pichirangue). His injury made it possible to make a realistic transfer from a field hospital on land to a hospital ship. In this case, a Chilean Navy ship, which was completely refurbished for this operation, was charged with transferring the U.S. Marine. [passage omitted]

Mandela Postpones Tour Due to Reorganization

PY1307140491 Buenos Aires TELAM in Spanish 1338 GMT 13 Jul 91

[Text] Santiago, 13 Jul [TELAM-ANSA]—The Chilean Foreign Ministry reported today that black South

African leader Nelson Mandela has postponed his tour of four countries, including Argentina and Chile, due to a reorganization of the African National Congress [ANC] of South Africa over which Mandela is presiding.

Mandela was scheduled to arrive in Chile at the end of July after visiting Portugal, Venezuela, and Argentina. According to the Chilean Foreign Ministry, the tour has been postponed until February.

Level of Relations With South Africa Raised

PY1307031491 Santiago Radio Cooperativa Network in Spanish 2300 GMT 12 Jul 91

[Excerpt] The Chilean Government has decided to raise the current level of its diplomatic relations and overall ties with the South African Government, as we already reported exclusively a week ago. This decision has been adopted in the wake of a number of changes in South Africa, especially the abolition of segregationist measures.

The government today reported—through a communique released by the Foreign Ministry—that it has decided to raise the level of the diplomatic mission to Pretoria, South Africa, to the level of embassy. This mission is currently headed by Charge d'Affairs Mario Scheggia Oteiza.

The brief Foreign Ministry communique states that once the pertinent transactions are fulfilled, a Chilean official with ambassadorial rank will take office at the mission in South Africa. [passage omitted]

Foreign Investments of $595 Million Reported

PY1207224091 Santiago Radio Chilena Network in Spanish 1700 GMT 12 Jul 91

[Summary] Economy Minister Carlos Ominami has disclosed that so far this year Chile has received foreign investments of $595 million, which is similar to the investments made last year.

Expert Against Revision of Antarctic Treaty

PY1207160691 Santiago Radio Cooperativa Network in Spanish 2300 GMT 9 Jul 91

[Relay from the Foreign Ministry by Carmen Castro]

[Excerpts] Keeping an unpolluted environment also means preserving natural resources like those of the Antarctic. This was stated today by Oscar Pinochet de la Barra, director of the Chilean Antarctic Institute and Foreign Ministry special adviser for Antarctic affairs. He also said that the Chilean Government believes it is not advisable to revise the Antarctic Treaty which was signed in 1959 and enacted on 23 July 1961. [passage omitted]

Regarding the revision of the Antarctic Treaty, which has been requested by some, Pinochet de la Barra recalled that this document, which was approved by 12 countries, among them Chile, states that any of the signatory countries may request a revision 30 years after its implementation and that the approval of the majority is all that is needed to begin its revision. Pinochet de la Barra believes it would be difficult to improve on this treaty, adding that there is even the risk of disrupting its harmony. He said that most signatory countries agree with Chile and therefore, any updating of the treaty would have to be made through complementary protocols. One such protocol will be signed next October in Madrid. It establishes a 50-year moratorium before the signatory countries decide whether or not to begin exploration work prior to the start of mineral exploitation in the Antarctic.

Government 'Confident' About Ties With Military

PY1507000291 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 13 Jul 91

[Text] Enrique Correa, minister secretary general of government, has said that the government is very confident about the effective, gradual, and rational process of adjustment in relations between the military institutions and the executive branch. This was Correa's comment with regard to the nomination of General Ramon Vega as commander of the Chilean Air Force.

[Begin Correa recording] Of course, anyone who is nominated as commander of any of these forces will always be well received, received with respect, by the government because we are confident that all of us will help create a new, increasingly positive atmosphere in civilian-military relations; that is, between the government and the military institutions. [end recording]

Today Correa evaluated political and social events that took place this week. He said the Chilean transition has once again demonstrated its ability to solve conflicts and reach agreements. As an example, he mentioned the case of the Health Ministry labor conflict and the congressional consensus on municipal reform.

As for Fabiola Letelier's criticism that she considers the compensation granted to her family for her brother's murder to be very high in comparison with what has been proposed for the relatives of missing people, in the name of the government, Correa replied categorically: We simply do not share her opinion.

[Begin Correa recording] Well, we proceeded according to what we thought was correct in each case. We suggested compensation for the relatives of Letelier and Moffit that we thought was in keeping with the circumstances. As for relatives of the victims of human rights violations and political violence, we presented a general law of compensation. [end recording]

Rebels on Decision To Join Democratic Process

PY1507001491 Santiago Radio Cooperativa Network in Spanish 2300 GMT 12 Jul 91

[Report by Correspondent Enrique Acevedo Valdez from Valparaiso]

[Text] Manuel Rodriguez Patriotic Front [FPMR] national leaders have termed their decision to change their style of struggle for a full democracy as a return to the democratic transition process prevailing in the country. In a news conference for the Valparaiso media, the FPMR leaders announced the beginning of activities in the Fifth Region.

Marcos Riquelme Garcia, who escaped from Santiago Prison in 1990, and Luis Guerra, representing the national movement, explained the decision, stating that it was their duty to adjust the style of struggle to the positive situation prevailing in the country, abandoning an armed struggle that could not go on in a democratic system.

Luis Guerra, who has assumed FPMR leadership in the Fifth Region, said: We are taking this step with the awareness that this is a real contribution to strengthening the democratic process adopted by our people.

When asked about their position on the autonomous front faction, Riquelme Garcia and Guerra said the front is assuming its responsibility through its own political stand, and we are assuming ours with absolute maturity, committed to the requirements demanded by the democratic process. We believe the armed struggle has been overcome, they said. Thus, the FPMR decision is in line with the current situation. Riquelme added that there is no relationship whatsoever with the autonomous front faction; neither is there any relationship with the Shining Path or any other Peruvian movements. We do have relations, however, with the M-19 and the Farabundo Marti National Liberation Front at the international level, he said.

When asked about weapons, Riquelme said this question should not be addressed to them because they no longer had weapons. We admit that we introduced them into the country, but we must remember that those weapons were seized by the government in [name indistinct] and other places. He added:

[Begin recording] Moreover, we demand to know the location of the weapons that were seized from us. We want to know where they are because we have heard that they are not in the hands of [words indistinct]. [end recording]

Riquelme added that suddenly, some doubtful actions have been reported, some weapons have been seized—such as M-16 rifles and LAW rocket launchers—weapons that were seized from them in the north.

The FPMR has nothing to do with weapons. Today the FPMR is only interested in cooperating with democracy and nothing else, the leaders concluded.

Coalition Official Calls PDC Party 'Hegemonic'

PY1507010091 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 9 Jul 91

[Text] Jorge Schaulsohn, Party for Democracy [PPD] vice president, accused the Christian Democratic Party [PDC] of being a hegemonic party within the Coalition of Parties for Democracy. PDC Vice President Gutenberg Martinez refuted the charge.

[Begin recording] [Schaulsohn] I have no doubt that the PDC is a hegemonic party. Proof of this is the way it has inappropriately monopolized several positions of responsibility within the government.

[Martinez] I would say that these charges are, first, unfair. Second, they go against the solidarity that should exist within an alliance. The first thing one must learn on becoming allied with another party is that there are public obligations. We have expressed solidarity with all parties on all issues. I believe Jorge Schaulsohn should not have made this type of comment publicly.

[Schaulsohn] I believe the PDC should be more generous in the period of time that still lies ahead of us in order to generate a climate among coalition members that can contribute to, rather than prevent, a future understanding. I believe the PDC does not know how to coexist with an ally.

[Martinez] By no means do we wish to govern alone. The resolutions of our last national meeting ratify that we wish a coalition above all and this is what we have in mind. What other party was capable of doing what we did during the last elections; that is, yield districts in which we had no candidates and yield seats in the Senate where we did not have candidates so others could be elected. This, I believe, is a great example of generosity, but a humble kind of generosity. [end recording]

PCCh Member Discloses Spying on Government

PY1307215391 Santiago LA TERCERA DE LA HORA in Spanish 3 Jul 91 p 7

[Text] In remarks to the newspaper LA EPOCA, a former member of the Communist Party of Chile [PCCh] disclosed that in 1985 he was forcefully recruited by the National Intelligence Center (CNI) to act as a CNI informer. According to his account, in 1990 he was contacted by former CNI agents—who had been transferred to the Army Intelligence Directorate—to continue his espionage activities.

According to the press report, as of that date [not further specified] the informer carried out intelligence activities specifically involving the Socialist Party [PS] and its role in the Coalition Alliance government.

According to the same account, reported by the morning newspaper, the informer was asked to investigate: "The posts PS members hold in the Interior Ministry and Transportation and Telecommunications Ministry; the circle in which [Transportation and Telecommunications] Minister German Correa is acting in the political arena; and the degree of approval by the grass-roots (militants) of Deputy Mario Palestro, Deputy Camilo Escalona, Manuel Almeyda, and Hernan del Canto."

In his account, the informer also pointed out that early this year he was asked to supply a list of PS Citizens Security Commission members, the functions of this commission, the participation in this commission of members who took political-military indoctrination courses abroad, the commission's level of contacts with the Investigative Police and the Carabineros of Chile, and the relationship between the PS and other political parties to implement this commission's activities.

The informer said: "In order to obtain information from the PS, I introduced myself using my name and pretended that I was a sociology student from PS headquarters, on Agustinas Street, and I said that I was engaged in work on the current PS organization."

The informer pointed out: "I met with Paz Delmar, a journalist, and then with a secretary. They told me what I was trying to find out. They did not imagine that I was cheating them. I supplied the agents all the information that I obtained. I supplied the information in printing and summarized it because in the place where I was working I had access to a computer, on which I processed the information."

He added: "The major source of information about the PS Citizens Security Commission, one of the points that was mainly of concern to them, was the Party for Democracy [PPD]. I was told of documents and the commission's structure. The CNI was satisfied with my task and asked me to conduct a similar one on the PPD. I handed them the material. The PPD provided me all the information they wanted: the names and telephone numbers of the members of the PPD executive board and the technical commissions."

According to the press report, the number of requests increased until 18 June, when the informer was asked directly about information on Transport Minister German Correa. On the same day, they also handed me a list of questions. At that time, LA EPOCA reported, he was asked to provide information on nongovernmental organizations.

The press report said that last week the informer had his last contact with CNI. On that occasion he said that he was appointed a security guard, but the informer has never assumed that post.

Firms Linked to Drug Trafficking Investigated

PY1207140691 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 12 Jul 91

[Excerpt] Interior Ministry Under Secretary Belisario Velasco said today that the government is confidentially investigating the activities of enterprises and individuals who are linked with drug trafficking.

He added, however, that current legislation in Chile makes the struggle against drug trafficking difficult.

[Begin Velasco recording] We are studying a legal body which we will soon submit to Congress. The deputies of all the parties that are supporting the government in the effort to stamp out this scourge are actively participating in this project. We are studying a legal body which will drastically punish drug trafficking, drug addiction, money laundering, and the illegal use of precursors. [end recording]

Velasco pointed out that about 1 metric ton of various kinds of drugs worth about $50 million are seized every year in Chile. He added that the background of enterprises and individuals linked to drug trafficking are being confidentially investigated.

Velasco also gave a detailed information on the aid received by the Interior Ministry to help the mud-slide victims in the Second Region. [passage omitted]

President Appoints New Air Force Commander

PY1207181091 Santiago Radio Chilena Network in Spanish 1700 GMT 12 Jul 91

[Excerpts] President Patricio Aylwin has appointed General Ramon Vega Hidalgo as the new Air Force commander, replacing General Fernando Matthei.

The announcement was made by Defense Minister Patricio Rojas after praising the performance of current Air Force Commander Matthei. [passage omitted]

The president of the Republic has named Gen. Ramon Vega Hidalgo as the new Air Force commander as of next 31 July in view of the outstanding and exemplary way in which he has performed his duties. [passage omitted]

Chuquicamata Mine Workers End Strike 14 Jul

PY1507024691 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 15 Jul 91

[Excerpts] The strike in Chuquicamata has concluded. Workers have unanimously approved the most recent offer of the enterprise. We will now have a direct report from our special correspondent (Arturo Hanlin).

[Begin (Hanlin) recording] [passage omitted] Finally, an agreement was reached to end this strike, which entered its 14th day today.

It can be mentioned that there is a 325,000 peso bonus for ending the strike; a production bonus amounting to 2 percent of division profits that will be paid every three months; 25-day vacation each year; salary readjustments based on the June IPC [Consumer Price Index], which was 1.8 percent, in addition to another 2 percent to cover July's IPC; and salaries adjustments every four months or when inflation reaches 6 percent. These are among the most important items that have been offered by the company. [passage omitted] [end recording] [passage omitted]

Colombia

Terrorist Plan To Blow Up President 'Detected'

PA1307124091 Bogota Radio Cadena Nacional in Spanish 1216 GMT 13 Jul 91

[Text] The Army has detected a terrorist plan that the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] was apparently going to carry out against President Cesar Gaviria. The Army discovered a dynamite charge at one of the sites where the president's helicopter was scheduled to land during his visit to Bucaramanga. The dynamite was opportunely discovered by units of the Army's 2d Division, which quickly defused it. The Colombian Presidency has issued the following communique:

The Advisory Board for Presidential Security reports that on 10 July, one day before the president's visit to Bucaramanga, Army units found 19 sticks of dynamite and a detonator a few meters from where the presidential helicopter was scheduled to land at the Colombian Petroleum Institute. For this reason, the president's visit to this institute was canceled.

CNGSB Denies Link

PA1507021991 Madrid EFE in Spanish 0022 GMT 15 Jul 91

[Text] Caracas, 14 Jul (EFE)—The Simon Bolivar National Guerrilla Coordinating Board (CNGSB) today denied any links with "an alleged attempt" on the life of Colombian President Cesar Gaviria, as the Colombian Army reported on 13 July.

Lucia Gonzalez, spokesperson of the CNGSB delegation in Caracas, told EFE that this guerrilla organization does not have any link to the "alleged attempt" reported by the Colombian Armed Forces.

Gonzalez said that the report forms part of the "situation created by the Colombian Armed Forces to pressure the government of President Cesar Gaviria against the peace dialogue being held with the CNGSB."

The Colombian Army reported on 13 July that it had thwarted a plan, supposedly organized by the CNGSB, to assassinate Gaviria during the visit that the Colombian president was going to make to the town of Piedecuesta, near Bucaramanga, on 11 July. The official report indicated that the Army detected 19 sticks of dynamite concealed near the place where Gaviria's helicopter was to land so he could visit the Colombian Petroleum Institute, located 290 km northeast of Bogota.

The CNGSB spokesperson reiterated her organization's commitment to hold the peace dialogue with the Colombian Government, although she said there seems to be discrepancies between the government position and the view held by the Armed Forces regarding the talks with the guerrillas.

Gonzalez told EFE that a Colombian Government delegation led by peace adviser Carlos Eduardo Jaramillo was in Caracas on 12 and 13 July to try to overcome the stalemate in the peace dialogue.

The government delegation and the guerrillas analyzed the problems that have prevented the return to Colombia of the 11 CNGSB members, as was agreed in the second phase of the dialogue that ended in Venezuela on 25 June. The CNGSB delgation has asked the government for a 72-hour period, after arriving in Colombia, to travel to their command positions to brief their leaders on the results of the negotiations, but the government delegation is willing to grant them only 24 hours.

Gonzalez said the guerrillas feel that 24 hours is not enough time for the CNGSB members to arrive at their destinations without clashes taking place between the Army and the guerrilla forces.

The CNGSB is formed by the Revolutionary Armed Forces of Colombia (FARC), the Army of National Liberation (ELN), and other smaller groups.

"We have not reached a clear agreement in which the government grants us sufficient guarantees for our return to Colombia, but we will maintain telephone communication with the government delegation that traveled to Bogota today to directly speak with its superiors," Gonzalez said.

The CNGSB delegation, which has been in Venezuela since June, decided not to travel to Colombia on 3 July as it had planned and it accused the Army of maintaining troops concealed in the area near the site where guerrilla leaders were scheduled to arrive.

CNGSB Lays Siege to Towns, Countryside

Burns San Martin de Loba

PA1307182791 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 13 Jul 91

[Report by Jairo Morales]

[Text] For over nine hours the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] turned the town of San Martin de Loba, south of Bolivar Department, into an inferno. A group of 15 soldiers repelled the takeover attempt by over 200 men, who wanted to seize rifles. In the end, four persons were killed. The CNGSB goal was to burn everything. They set fire to the police precinct to flush out the policemen. They went into the Agrarian Bank to rob it, although it has not held a cent in over a week, and set it afire. One civilian was killed in the bank. In addition, they burned the homes around the police precinct for unknown reasons.

[Begin recording] [Reporter] Why did they set fire to your house?

[Town resident Eduardo Callejas] I do not know, but I think they did it because we are in the same vicinity as the police. [end recording]

The guerrillas entered the church to write graffiti over its walls and turn it into a strategic position.

[Parish priest Justo Lopez] Everything the guerrillas or residents did would constitute desecration. [end recording]

While the fighting was taking place in the town, the Magdalena River also became a battle zone. One civilian and one soldier were killed during an ambush as they were trying to help. Once the CNGSB incursion ended, a soldier accidentally activated a grenade left behind, wounding 10 more soldiers. It appears the CNGSB sustained heavy casualties, because the guerrillas are still holding hostage the doctor from San Martin de Loba's medical center. In all, the casualty toll between civilians and soldiers totals 13 wounded and seven killed.

Dynamites Utility Towers

PA1307125591 Bogota Radio Cadena Nacional in Spanish 1217 GMT 13 Jul 91

[Text] The Simon Bolivar National Guerrilla Coordinating Board has continued its escalation of terrorist actions in the country's central area, dynamiting five utility towers and setting up barricades along the Bogota-Villavicencio highway, where heavy fighting left five dead [as heard] and many wounded. Several municipalities in Meta and Cundinamarca Departments are without electric power.

The Bogota-Villavicencio highway was closed for more than 12 hours. Traffic was reestablished early this morning. The Army and the police battled the guerrillas for several hours near Chipague, leaving four guerrillas, one policeman, and one soldier dead. Several policemen and soldiers were also wounded.

Early this morning truck drivers were threatened by subversives who had erected barricades and who warned that if they used the highway to Villavicencio, their vehicles would be set on fire. In view of this situation, the police and the Army have sent reinforcements and are patrolling the highway to Villavicencio.

Attacks Santa Fe de Bogota

PA1407180591 Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 13 Jul 91

[Report by Oscar Galivis]

[Text] More than 80 Simon Bolivar National Guerrilla Coordinating Board [CNGSB] rebels were repelled last night by the Army during clashes that took place between 1600 and 2000, just 40 minutes from Santa Fe de Bogota. The clashes filled with blood the hamlet of El Boqueron along the Bogota-Villa Vicencio highway. One policeman and six rebels died, while there were numerous wounded on both sides. The wounded soldiers were rushed to San Rafael de Caqueza Hospital and subsequently transferred to the Military Hospital in Bogota. We now have statements from Dr. Juan Enrique Clavijo.

[Begin recording] [Clavijo] We received three patients at the hospital—that is three soldiers—two of whom were slightly wounded, one in the upper part of the body and the other in the foot. Unfortunately, the third soldier was seriously wounded in the spinal cord region. These three were transferred to the Military Hospital in Bogota by ambulance driver Jorge Mayorga.

[Reporter] Mr. Mayorga, what was the condition of the [third] soldier that you transferred to Bogota?

[Mayorga] When the soldier arrived at the emergency ward, the doctors had him immediately transferred to the Military Hospital in Bogota. He had been shot in the neck and was in very bad condition. [end recording]

From Caqueza to Villa Vicencio there are 28 municipalities in Meta Department that are without power because their connecting power towers have been dynamited. About 90 days ago this same region suffered a similar attack when one utility tower was downed and 17 power company vehicles were burned. The Caqueza Hospital in Cundinamarca is the only place with power, while the rest of Meta Department is in the dark. This is the main plaza at approximately 0400 this morning. [video shows town in total darkness]

This is the scene here in Chipaque after the clashes between the Army and the rebels. [video shows burned vehicles along highway]

In addition to being in the dark, Chipaque is also isolated because all transportation has been suspended. The vehicles were trapped within the town during the clashes, it was decided that some would to stay while others were driven back to Bogota in caravans for moral support. As always, the civilian population pays the bloody price of war.

[Begin recording] [unidentified policeman] They [the rebels] made me walk, so I got behind one of them. I was about one meter behind him and he told me to "move," when I did not move, he shot me near the ear. I was so scared that I ran along one side of the road and my friend along the other side; that is when I was shot [again].

[Reporter] What about your friend, how is he?

[Policeman] I do not know, I ran to save my life and I do not know his condition. [end recording]

Meanwhile, as witness to the recent tragedy, early this morning that policeman's lifeless body was still lying on top of a desk surrounded by four candles, awaiting legal formalities.

Today, 13 July, after the lifting of the curfew and dry law, once again the heroic capacity of the Colombian

people can be seen in Caqueza. The community goes on with its daily routine unwilling to be defeated by anything or anyone.

President Comments on Drug Trafficking, Aid

PA1207140991 Paris AFP in Spanish 0521 GMT 11 Jul 91

[Text] Santa Fe de Bogota, 10 Jul (AFP)—Upon insisting on the multilateral character of the struggle against narcotics trafficking, Colombian President Cesar Gaviria said on 10 July that "it cannot be described as a simple problem of trafficking drugs."

In statements to the privately owned station Radio Caracol, the Colombian president called on the world to face drug trafficking as a complex problem together in order to find a satisfactory solution.

"The struggle against drug trafficking must encompass all elements of the chain, including money laundering, the trade of precursor chemicals, arms trafficking, and production and consumption of hallucinogenic drugs," Gaviria explained.

Upon insisting once again that Colombia has paid the highest price in the world for facing up to drug traffickers, the president stated that "the international community is not facing the problem with all the instruments demanded by its complexity."

Gaviria reiterated that "this problem cannot be resolved by a single country or a group of countries." He complained that the United States has not fully complied with the promises made to the Andean countries during the drug summit held in 1990 in the Caribbean resort of Cartagena, Colombia.

With regard to the Andean initiative proposed by President Bush to mainly assist countries plagued by drug trafficking, the Colombian president voiced his confidence that the U.S. Congress will approve it.

Gaviria added: "We hope that the aid package is approved, not because it will compensate all the costs that we have incurred in the struggle against narcotics trafficking, but because it would represent a clear demonstration of solidarity toward the Andean countries."

Gaviria stated that should the Andean initiative be approved, the Colombian economy will be strengthened, enabling the country to confront the problem of drug trafficking with every instrument possible.

Defending his policy to obtain the voluntary surrender of the leaders of drug trafficking organizations before Colombian justice, President Gaviria said that this strategy represents the greatest challenge ever for the justice of the country because it will have to demonstrate its ability to severely try the mafiosi.

"We will demonstrate to the world that Colombia is not a sanctuary for impunity," President Gaviria concluded.

Government Refuses To Extradite 15 Citizens

PA1207160691 Paris AFP in Spanish 0054 GMT 11 Jul 91

[Text] Bogota, 10 Jul (AFP)—The extradition of 15 Colombians requested by different countries, particularly the United States, was denied today by President Cesar Gaviria's administration, it was reported by a Justice Ministry spokesman in this capital.

The refusal is a result of Colombia's new Constitution, which was proclaimed on 4 July by the National Constituent Assembly, banning the extradition of Colombians, even those involved in drug trafficking in other countries.

Some 13 of the 15 Colombians whose extradition was refused will be arraigned before public courts in a matter of hours; the other two will be released on parole. One of them is Claudia Maria Angel Mesa, who has been in prison for 19 months. She was requested by the UK authorities, who claim that she is involved in money laundering activities and that she is an accomplice of a drug trafficking band that operated between Bogota and London.

Angel Comments on Drug Traffickers' Killing

PA1307015691 Mexico City NOTIMEX in Spanish 2322 GMT 12 Jul 91

[Excerpt] Santa Fe de Bogota, 12 Jul (NOTIMEX)—Colombian Justice Minister Jaime Giraldo Angel said here today that the killing of three extraditables in Medellin has grave implications for the drug traffickers' surrender process.

"I hope the motives for the killing were unrelated to the normal process of surrendering; it would be regrettable if they were," the minister said in a press conference.

Drug traffickers Juan Carlos Diez, Fernando Rister, and Jairo Enrique Londono had arrived in Medellin on Wednesday, 10 July, on a private flight from Uraba, in Antioquia, to turn themselves in to the authorities.

Shortly afterward, they were kidnapped by a group of uniformed individuals who intercepted the vehicle in which they were traveling near the airport in the capital of Antioquia. Their bodies were found last night with bullet wounds and signs of torture.

Giraldo Angel said he hopes that the Colombian drug traffickers' surrender process is not harmed by the killing of the three members of the Medellin Cartel. He promised that the crime would be thoroughly investigated. [passage omitted]

Traffickers Continue Surrender

PA1307161491 Bogota Radio Cadena Nacional in Spanish 1200 GMT 13 Jul 91

[Text] Medellin—Antioquia Regional Prosecutor Juan Guillermo Sepulveda Arrollave has stated here that the

extraditables' process of surrender continues despite the serious setback caused by the murder of three members of the Medellin Cartel who were going to voluntarily submit themselves to Colombian justice. Sepulveda Arrollave said that he has spoken with the relatives of the individuals who have to date submitted to justice, including Pablo Escobar Gaviria, and all of them gave their vote of confidence and support for the process that will expire in 80 days, when the special regulations will cease to exist.

I am optimistic, as are the prisoners and the authorities who are involved in this process, the regional prosecutor said. He added that the results of the investigations on what really happened to the three men will be made known in the next few days. The bodies of Juan Carlos Diez, Fernando Ritter, and Jairo Enrique Londono Gonzalez were found tied and shot in Guarne Municipality in northern Antioquia Department.

Give Up to Escobar Mediator

PA1307153191 Madrid EFE in Spanish 1924 GMT 11 Jul 91

[Text] Bogota, 11 Jul (EFE)—A group of 15 rebels put down their arms and surrendered to Father Rafael Garcia Herreros—who mediated during surrender of drug trafficker Pablo Escobar—the priest himself reported today.

Garcia Herreros provided the information during a news conference, and while he claims that the rebels are being hidden "in a secret place," he also disclosed that during the coming weeks another group of rebels would be surrendering.

"I do not know what to do with them," said the priest, mediator in the 19 June surrender of Escobar, who availed himself of President Cesar Gaviria's decrees on reduced sentences and non-extradition for drug traffickers who surrender. Escobar Gaviria is secluded at the Envigado jail, in a town that neighbors Medellin, and the priest said that he would like to take the rebels there as well.

In this regard, Garcia Herreros said that Justice Minister Jaime Giraldo Angle had "advised" him as to where the rebel weapons could be turned in and which authority to contact. The Revolutionary Armed Forces of Colombia (FARC) rebels surrendered to Garcia Herreros at his home in the neighborhood of El Minuto de Dios, in northwestern Bogota.

According to Father Garcia Herreros, other rebels—also members of FARC—from the fronts that operate in the eastern lowlands will also be surrendering in the same fashion.

During the news conference, the priest reiterated his invitation to engage in a dialogue with Spanish priest Manuel Perez, the top leader of the Army of National Liberation (ELN), which together with FARC comprises the Simon Bolivar National Guerrilla Coordinating Board (CNGSB).

Garcia Herreros asked Gaviria's government and the CNG to overcome the stalemate in the peace dialogue in Caracas to be resumed on 15 July, and invites them to "forget the legal niceties and sit down and talk."

* Continuing Increase in Cost of Living Discussed

91SA!0387E Bogota EL TIEMPO in Spanish 6 Jun 91 p 13A

[Text] The cumulative inflation for the past 12 months has risen again, currently standing at 31.45 percent. All that has been achieved is a reduction of less than one point in the accumulation posted last December.

Instead of declining, as the government wishes, the cost of living is still on the rise. During May, the family market basket registered an average price increase of 2.2 percent: the highest for this same month in the past six years. The accumulation for the first five months totaled 14.74 percent.

This percentage simply means that, to purchase the same products and services for a family market basket that cost 100,000 pesos on 1 January, one had to pay 14,740 additional pesos at the beginning of June.

The figures released yesterday by the National Administrative Department of Statistics (DANE) allow us to infer that, to date, the cost of living has not responded to the economic measures of the past few months.

The accumulation between January and May was only slightly less than the 15.51 percent during the same period last year. And the most disturbing aspect is that the index for the past 12 months, from May 1990 to May 1991, rose again, from 31.16 to 31.49. If the year had ended in May, this would be the highest rate in the country's economic history.

Expensive Food

Although Colombians are still expecting a curb in the rising cost of living, as has been predicted by Finance Minister Rudolf Hommes, it was not achieved during May either. This is because there were sharp hikes in prices of some of the most important products and services.

Food, accounting for a third of the market basket, increased in price by an average of 2.31 percent. The main readjustments were noted in tomatoes, green peas, beans, raw onions, bush tomatoes, and Peruvian carrots, totaling between 10 and 28 percent.

Meat, which continues to be a headache for the government, underwent another 4.61 percent price increase last month.

Although food prices have risen by an average of 14.72 percent in five months, there are instances, such as that

of yams (not consumed on a large scale), for which the price hike reached 145 percent; and tomatoes, for which it was 62.6 percent.

Raw onions, kidney beans, bush tomatoes, lentils, spinach, sapodilla, and marcacuya showed price readjustments ranging between 40 and 50 percent up until May.

Nevertheless, meat is the food that has had the greatest effect, because it constitutes a large share of the basket. The price of boneless beef rose 34.65 percent between January and May, and that of meat with bone increased 31.3 percent. The accumulation for 12 months amounted to 52 and 46 percent, respectively.

Official and "Others"

As occurred last year, both the products and services on which the government decides, as well as some in the private sector, are still undergoing an unstoppable series of price hikes.

The group designated as "housing," ranking second in importance in the basket, registered an average increase of 2.55 percent in May, and 14.7 percent for the five months. The largest readjustments last month, exceeding 5 percent, were those for dishwashing soap and powdered detergents.

Of those on which the government decides, fuels and public services experienced 2 percent price increases in May. However, they show an accumulation of 18 percent in 5 months, and of 46.85 percent in 12 months. The most severe readjustment is that in electric power, totaling 20.5 percent up until May, and 63 percent for the year.

Rents, the increase in which is determined by law, rose 2.90 percent in May, with a 14.7 percent accumulation as of May, and one of 31.67 percent in 12 months.

The group termd "others" by the DANE, including the majority of products and services in the private sector, had the largest price increase in May: 2.69 percent.

Among them, those with the strongest effect were toilet soaps, with 5.30 percent, and an accumulation of 14.82 percent in five months; and toothpaste, with 4.12 percent in May and 21.65 percent thus far this year.

Of the other groups, that of health had an accumulation of 16.75 percent as of May, with hikes ranging from 20 to 25 percent for laboratory tests, doctor's office visits, and hospitalization.

The education group, the increases for which are concentrated in the first months, shows accumulations between January and May ranging from 24 percent for board to 39 percent for uniforms.

Transportation products and services have also preventing inflation from easing. Last month the item with the largest price hike was parking service, with 3 percent, and a 28 percent accumulation as of May. Prominent among the others were gasoline, urban taxi fares, and oil and battery changes and purchases, with readjustments ranging from 17 to 23 percent in five months.

Leading Cities

The DANE director, Rodolfo Uribe Uribe, stressed that, of the 13 capitals researched, Cartagena and Barranquilla are the ones showing the highest cumulative rates in the country to date. The former has an average accumulation of 16.67 percent; and the latter, one of 16.50 percent.

Nevertheless, the largest 12-month accumulations are those of Manizales, totaling 33.93 percent, and Bogota, with 32.32 percent.

The smallest readjustments are registered in Pasto, with 7.06 percent in five months; although the figure reaches 28.75 percent for 12 months. The reason: the large supply of foods coming from Ecuador.

The second lowest readjustment is that in Villavicencio, with 12.81 percent between January and May, and 28.08 percent for 12 months. It is followed by Cali, with 13.09 and 30.38 percent, respectively; and Monteria, with 13.99 and 27.18 percent, respectively.

Increase in Cost of Living By Cities

	May 91	Cumulative (Jan-May)
Total	2.20	14.74
Bogota	2.11	14.96
Medellin	2.12	14.82
Cali	2.47	13.09
Barranquilla	1.60	16.50
Bucaramanga	2.05	13.52
Manizales	3.10	16.50
Pasto	1.52	7.06
Pereira	2.34	14.81
Cucuta	2.21	14.65
Monteria	0.67	13.99
Neiva	3.67	14.41
Cartagena	1.91	16.67
Villavicencio	2.61	12.81

Source: DANE

Paraguay

Soviet Ambassador Meets With President Rodriguez

PY1307002491 Asuncion ULTIMA HORA in Spanish 11 Jul 91 p 12

[Text] Soviet Ambassador to Argentina Vladimir Nikitin said that the Soviet Union is interested in purchasing all

Paraguayan products and that, in exchange, it can offer equipment, machinery, technology, and other products.

"We can use all the products in the country and those manufactured by Paraguay, and, in exchange, the Soviet Union can offer its science, technology, medicine, machinery, and equipment. It can also offer its culture. The Bolshoi Ballet will be here soon," Nikitin said.

He added that his meeting with the Paraguayan president is a historic event, and that he will make a detailed report to Moscow on his talks with President Rodriguez.

"I had the opportunity to talk with President Rodriguez about the principles of Soviet policy on Latin America and about the prospects for relations between our two countries. At this moment, I still have a very good impression of the meeting with the president," he said.

Asked about the possibility of establishing diplomatic relations between Paraguay and the Soviet Union, he said: "We are discussing the existing political principles, stressing the political processes that are taking place in the world and the similar views regarding the process of societal renovation here and in the Soviet Union. I have noticed that the process here has the support of society, and that is very important."

He added: "We are observing from a distance the process taking place here in Paraguay, and we want to extend our hand of friendship to this country, in this process aimed at strengthening peace and cooperation among nations, as well as in human relations."

He concluded: "We diplomats have a rule of ethics. We analyze the essence of the conversation and draw our conclusions. I can say that I have a very good impression. I think our peoples deserve all types of relations. With the president's friendliness, we have very good prospects for the future for Soviets and Paraguayans."

Interior Minister Discusses Political Issues

PY1307204691 Asuncion HOY in Spanish
13 Jul 91 p 10

[Interview with Interior Minister General Orlando Machuca Vargas by unidentified reporters on 12 July in Asuncion]

[Text] [Reporter] Are you going to explain yourself to the Colorado Party executive board in response to their summons?

[Machuca] I am somewhat surprised at your question. Why should I explain myself? I would say that the executive board members are the ones who should explain their ineptitude, their total inability to meet the needs of the Colorado people, and their absolute lack of interest in the problems of their fellow party members.

[Reporter] Is there a disruption of institutional mechanisms?

[Machuca] Not at all, as far as I am concerned. They keep on criticizing... I really do not understand them, because regardless of my military profession I am holding a political position, whether they like it or not. As far as I know, hearing the concerns of the peasants and relaying them to the appropriate officials is not a political activity. I do not believe there is a law...

[Reporter, interrupting] What about the Electoral Law?

[Machuca] That is what I was about to say. I do not believe there is a law to punish people for their interest in the common well-being. My position as a minister allows me to be politically active. As I see it, there is nothing wrong with meeting fellow party members and trying to resolve their problems. I have also met with leaders from other parties. Why have my pleasant encounters with the gentlemen of the opposition never been questioned? Why are these gentlemen who claim to be Colorados questioning me?

[Reporter] Why are you meeting with rank-and-file leaders?

[Machuca] I already have answered that question: I am working with them in the quest for party unity.

[Reporter] What steps will be taken now that one of the speakers practically asked for the mass ouster of the current Colorado Party executive board?

[Machuca] We only discuss the unity of the party at those meetings. As the minister for political affairs, I listen to the concerns and relay them to the appropriate officials. There is no question of giving a hand to any of the party factions. Our only objective is party unity. If that is what is bothering them, then I am sorry for them.

[Reporter] Will you explain yourself to the executive board?

[Machuca] Absolutely not, absolutely not. They do not have the power to order me to explain myself. In any case, what should I explain myself about? What are they accusing me of? Are they accusing me of saying the truth? Are they accusing me of seeking party unity? If that is a sin, I would rather go on sinning.

[Reporter] The use of certain premises and institutions for the benefit of only one party is being criticized...

[Machuca, interrupting] That is definitely not so. Forgive me, but it is not so. I have received leaders from various parties several times, and I have extended to them the same courtesies that I extend to my fellow party members. I have never discriminated against anyone. I have met with the Liberal Party president and treated him with the respect he is entitled to.

[Reporter] What will be done to achieve party unity, taking into account that executive board members are being accused of trying to divide the country?

[Machuca] There is a great deal of confusion among party leaders. I find their management of party affairs disastrous. [Reporter] Don't you contribute to this confusion by acting as a party leader?

[Machuca] What would you have done? What can the troops do without a commander? I would like to quote a rural leader: "General, we long for a leader; we have no leader; we are lost, confused. Please guide us."

[Reporter] Is this a political project of the Armed Forces?

[Machuca] No, no, no, no.

[Reporter] There are, however, several generals present here...

[Machuca, interrupting] As far as the Armed Forces go, we should not forget that they played a key role in this process.

[Reporter] Does that give them the right to interfere with the Colorado Party and resolve internal party problems?

[Machuca] Well, in the final analysis and speaking for myself, why shouldn't they to some extent?

[Reporter] This means that the paternalistic approach will prevail?

[Machuca] No, no. Do not give me these old expressions. As far as I am concerned, they mean nothing. I, honestly, do not want to hear these words any more. You are always trying to put us in the same class with the previous regime at the drop of the hat. As far as I am concerned, that stage is gone forever.

[Reporter] Excuse me, but is a change of words all that it takes? What if the attitudes remain unchanged?

[Machuca] We are taking things step by step, as I told the party grass-roots leaders. The first stage is one of information gathering, and we are also planning other actions. I believe that we will achieve what all Colorados and the Paraguayan family longs for.

[Reporter] From what you are saying, the Armed Forces may take action just as they did on 3 February 1989...

[Machuca, interrupting] I speak for myself and not on behalf of the Armed Forces.

[Reporter] [Acting Colorado President Luis Maria] Argana said that you do not have the "civic courage" to show up before the Colorado Party executive board.

[Machuca] Come on. I do not care what this person says at all. I could not care less. I really could not care less.

[Reporter] Even though he is party president?

[Machuca] Well, I really do not know to what extent he is.

[Reporter] Do you agree that the Colorado Party should hold its internal elections immediately?

[Machuca] Well, that is a decision that should be made by party leaders. I think it would be advantageous. I am again speaking on my own behalf.

[Reporter] Do you say this to the people who follow you?

[Machuca] We do not mention this issue. We only speak about party unity. I deplore and I cannot understand why those gentlemen who claim to be Colorado Party members are criticizing me. The normal thing would have been to be criticized by the opposition. However, I am the target of their cannon shots...

[Reporter, interrupting] Can't Colorados criticize other Colorados?

[Machuca] Why not? I agree to that.

[Reporter] Why are you then surprised?

[Machuca] No, no. If it is justified criticism, fine, I am in total agreement with that. But in this particular case, I do not accept criticism. Now, who are they after all? If we, for example, analyze everyone's merit, will they have enough merit to give an opinion that is even a bit offensive?

[Reporter] Are you considering the possibility of going into retirement?

[Machuca, pausing] Well, well, I can retire. Frankly, I can retire.

[Reporter] When?

[Machuca] When God says so [laughs].

[Reporter] Is it your idea?

[Machuca] I cannot impose anything on the commander in chief. It is exclusively up to the commander in chief to send me into retirement.

[Reporter] What is your position on this point?

[Machuca] No proposals have been made in this case. The commander in chief makes the decision and that is all. We deliberate on few occasions. For us, discipline is vertical.

[Reporter] Rural Colorado Party precincts did not ask you to...

[Machuca, interrupting] Those are two different fields: the military field and the political field.

[Reporter] There are concrete proposals. You have spoken about building a better future for Paraguayan society. Would you agree to run as candidate?

[Machuca] Candidate; but what candidacy? A party candidate? No, no. I already have said at the Government House that I may not be the right man. The man will emerge from among the people, and the people's will must be respected.

[Reporter] But where is the leader that the party is looking for? At the Interior Ministry?

[Machuca] God knows. The leader will emerge at the right time.

[Reporter] Or does this candidacy aim farther into the future, in 1993?

[Machuca] No, no. Please do not get ahead of events. If I had a crystal ball, I could easily answer your question, but unfortunately I don't.

[Reporter] Are you worried about the deputies' criticism of your work?

[Machuca] I don't care. Please! I do not care. I do not care. I do not care for criticism while my own conscience does not criticize me.

[Reporter] But they are the representatives of the people...

[Machuca, interrupting] Please do not talk to me about the representatives of the people!

[Reporter] Don't you think that this Congress is legitimate?

[Machuca] No, take it easy. No, no, let us not go deeper into this subject, please. Take it easy.

[Reporter] Don't you consider yourself able to lead the Colorado Party?

[Machuca] And why not? Why not?

[Reporter] Do you have any project in mind?

[Machuca] No project whatsoever, but considering the sitaution that the party is experiencing, and if the party asks for my cooperation in guiding it, I would be very glad to do it.

[Reporter] What is your opinion of party precinct leaders?

[Machuca] I do not think rural leaders are corrupt. I also say that I do not think that the leaders of the capital are corrupt. But I think rural leaders are more sincere and more pure.

[Reporter] It is worrying that you have said that you do not recognize the representation of the Chamber of Deputies.

[Machuca] No, no. Please, please. Let us change the subject... You know perfectly well that they are the representatives of the people.

[Reporter] Do you think they are?

[Machuca] I did not say that. I said I am not affected by the lawmakers' criticism.

[Reporter] What do you think of the possibilities of your party in the 1993 elections, taking into acount the current composition of the party board?

[Machuca] I feel quite optimistic and I have faith in rural leaders. There lies the political power of the Colorado Party.

[Reporter] Are you afraid of being in the opposition?

[Machuca] I am not that pessimistic, not at all. At no time have I thought about the possibility of being in the opposition.

[Reporter] Apparently, however, new messiahs are being sought within the Armed Forces.

[Machuca] You are driving me away from my area. For ethical reasons—even being a military man—I should not speak about that subject. Let us go to the political field, in which I will take any question.

[Reporter] Are you trying to save your party?

[Machuca] If you were a member of the Liberal, Febrerista, or whatever party, would you not make a sacrifice to save your party from a disaster, from a defeat? You would do everything you can to save your party.

[Reporter] Would it be a disaster if the party lost the elections in 1993?

[Machuca] We will not lose.

Rodriguez Calls For 'Unity' in Colorado Party

PY1507031491 Asuncion HOY in Spanish
13 Jul 91 pp 8, 9

[Text] President Andres Rodriguez yesterday told Colorado Party [ANR] leaders in the interior about his "distress" on not achieving "granitic unity" within the ANR after a little over two and a half years of the transition process. Moreover, he criticized those who doubt that he is an ANR member and said "many promoters" of the military coup have appeared lately, but he would have been the only one to blame if it had failed. Rodriguez voiced his hope that the ANR will "always be this country's governing party."

The honorary ANR president addressed some 170 heads of ANR precincts in the interior, ANR mayors and councilmen, and high-ranking military officials during a luncheon at the stadium named after him and the nation's first lady, Nelly Reyg de Rodriguez, at the "Cerro Cora" club in Campo Grande.

The following high-ranking military officers were present at the event: Lino Oviedo, Humberto Garcete, and Orlando Machuca Vargas, who organized the event. No members of the ANR leadership or grassroots leaders in the capital, except for some "gate-crashers" such as Deputy Eugenio Sanabria Cantero, Cirilo Vergara, and Juan Carlos Morel, were at the event.

During a vehement impromptu speech, Rodriguez started off by praising party leaders in the interior, whom he labelled the "foundations" on which the party is built. He then criticized those who, he said, maintain that he is not an ANR member. He recalled his participation in the 1947 revolution and added that he does not pay heed to those who try to say that he is not an ANR member because "whenever someone starts doing something there will, undoubtedly, always be someone to start criticizing."

According to observers, this comment was directed at leaders—"autonomous" and others—who have recently criticized the government, stating that it is straying from ANR doctrine, especially with regard to economic policy. This subject was raised during a recent meeting in Encarnacion and Luis Maria Argana also mentioned it, noting the existence of disagreements with the executive branch.

Later, in referring to the military coup that ousted Stroessner, Rodriguez said: "I made that decision fully aware that I would be the only one to blame if it failed. But, since it was successful, many now claim to be the promoters, many claim the victory." Rodriguez then said that he and his subordinates lament the deaths of "humble soldiers who shed their blood."

He also said that of the five goals mentioned in his 3 February proclamation, "We still have not achieved granitic unity within the ANR. I have requested and desire that unity and I am distressed because we have not yet achieved it."

"I was happy to hear fellow partisan Gonzalez Quintana say that we should not mention Mopoco [Popular Colorado Movement], the autonomous faction, the renewal faction, this one, and the other one. Gentlemen, let us forget labels once and for all," he added, referring to an address by the Carapegua leader who acted as spokesman for the party precincts in the interior.

The president said he was very pleased with the meeting and thanked General Machuca Vargas, whom he referred to as "my dear friend." He voiced his hopes for a constant and fluid dialogue "between the commander and his subordinates—let us use those words." He also said that in his capacity as honorary ANR president, he felt like another "party precinct leader."

Rodriguez added: "I am determined to struggle with you with all possible means so that the ANR can unite and so that, through the verdict of the ballot boxes, it can always be this country's governing party."

The meeting, which started at 1200 with the president's arrival, lasted for about four hours.

No Agreement Reached

PY1307220091 Asuncion HOY in Spanish 13 Jul 91 p 8

[Excerpt] President Rodriguez's attempt at reconciling various Colorado Party factions has failed. No agreement was reached at the meeting held at Government House on 12 July. The meeting was attended by Angel Roberto Seifart, Luis Maria Argana, Miguel Gonzalez Casabianca, and Enrique Riera. At this meeting no agreement was reached on submitting a single proposal to the party convention—which will be held on 15 July—to discuss amendments to party regulations and (at the instigation of the TRARDEM [Democratic and Renovator Traditionalism]) a new date for internal party elections.

Argana opened the meeting defending his position in favor of postponing internal party elections in order to prevent squabbling at the party convention. He also stated his willingness to work for a single Colorado Party ticket for the national constituent convention.

Democratic Alliance faction leader Enrique Riera spoke next. Riera said that one could not be too hard on Seifart and Riquelme because their faction controls most of the party convention delegates. He added, however: "I agree that internal party elections should not be held, provided the Colorado Party executive board is reorganized and you, Argana, step aside."

Argana answered that "he was tired of people fishing in troubled waters." To which Riera responded: "Then let the convention decide."

At this point the meeting ended suddenly, thwarting the chances for an agreement on items to be presented at the party convention, especially the date for internal party elections for executive board members. The people who attended the meeting left separately. [passage omitted]

Correction to Exports Decreased Jan-Jun 1991

PY1207135291

The following correction pertains to the item headlined "Exports Decreased 35 Percent From Jan-Jun 1991," published in the 12 July Latin America DAILY REPORT, page 35:

Column two, paragraph two, sentence three make read: ...beef exports decreased 567 percent [as published], and soybean exports...(providing editorial notation)

Peru

Fujimori on Tax Reforms, Privatization

PA1307173991 Lima Panamericana Television Network in Spanish 1200 GMT 12 Jul 91

[Speech by President Alberto Fujimori at closing of Exporters Association Convention in Lima on 11 July—recorded]

[Text] It is for us to implement honest, exemplarily honest, and technically competent tax administration in our country. For this to work, however, we also need honest taxpayers. To be less would be unpatriotic.

As I have said before, just as low-income parents are proposing to help pay with their limited resources teachers' salaries, those who have the obligation to pay taxes, must do so, even beyond their obligation. They should not act like others who cheat on their taxes, keeping two sets of books.

Within a short period of time we will be taking immediate action to support [word indistinct] government resources and we will punish the guilty without hesitation. Toward this end, the 1990 tax returns presented on 1 April have already been processed. We have acted swiftly and technically mindful.

On the issue of privatization, gentlemen, our country's exporters, we have taken technical aspects into consideration and have kept national interests in mind. We have followed a logical pattern. Initially, we are selling small operations, later we will sell a few larger ones as the economic plan progresses and the price for them improves.

We reiterate our clear intention to sell these corporations and not give them away. This is why we are going to organize them before we offer them for sale. We cannot sell them in their present condition. As in other countries, the proceeds will be used in health, education, justice, and basic infrastructure.

This logical pattern in the privatization process coincides with what renowned international experts have said, which you may well have heard at the Latin American Businessmen's Conference in Buenos Aires on 8 June.

Gentlemen, after this year of getting to know each other, I hope that most of the concern and mistrust has disappeared. We are acting and speaking seriously. We are concerned, not only about the economy, but about the country, as well.

We know that there is not much time and this is why lately the Cabinet has been totally committed to an intensive work plan. Many times they have met until dawn to discuss the general outlines of legal projects for fostering and promoting private investment. I always expect the greatest commitment on the part of the productive sectors. The government will always look for the best investment conditions and increases in productivity. It will be your responsibility—in this context—to obtain the greatest efficiency, and be the most competitive.

Shipping Firms Liberalized

PA1407012791 Lima Global de Television Network in Spanish 0100 GMT 12 Jul 91

[Text] President Alberto Fujimori on 11 July announced the liberalization of shipping firms, which must now compete on the market with foreign companies. Addressing the foreign trade convention, Fujimori also disclosed that within a few days the National Superintendency of Tax Administration [Superintendencia Nacional de Administracion Tributaria—SNAT] will disclose the names of Peru's large-scale tax evaders.

[Begin Fujimori recording] The chaos in which we found the SNAT has delayed the payment of taxes nationwide in comparison to other Latin American countries. This is because there is no reliable taxpayers' registry or any current accounting system to record the amounts owed and their payment.

My intention is to establish a tax administration that is honest, exemplarily honest, and highly qualified from the technical standpoint. However, for this to work we will also require honest taxpayers. Otherwise, it will fail. [end recording]

State of Emergency Declared for State Enterprises

PY1507012291 Lima EL COMERCIO in Spanish 6 Jul 91 p 1

[Excerpts] The Council of Ministers last night approved three government decrees in which the executive branch declared 180-day states of emergency for the following state enterprises: National Ports Enterprise (Enapu), National Urban Transport Enterprise (Enatru), and Peruvian State Airlines (Aeroperu). The respective boards are authorized to adopt measures aimed at restructuring the operating, economic, and financial systems of those state enterprises. [passage omitted]

The 180-day states of emergency will be in effect as of publication of the decrees.

During that period the boards of the transport or communications sector enterprises in a state of emergency will continue the personnel reduction program through the voluntary resignation with incentives proposal. Once the period for voluntary resignations with incentives is over, more emphasis will be placed on debureaucratization with a corresponding request to the Labor Ministry for a reduction in personnel accompanied by a list of workers included in that measure. [passage omitted]

French Participation in Support Group Reaffirmed

PY1407230291 Lima EXPRESO in Spanish 2 Jul 91 p 4

[All quotation marks as published]

[Text] French Senator Roland du Luart, chairman of the French-Peruvian Friendship Group, yesterday expressed his country's willingness to help Peru and reaffirmed French participation in a support group, offering an initial contribution of $15 million.

The Liberal Party senator, who is visiting Peru at the head of a congressional delegation, also expressed his solidarity with the social problems in Peru, conveying

his conviction that "within a few years, Peru will overcome its current problems."

He made these remarks in a news conference at Tupac Amaru Hall in Government Palace after a meeting with President Fujimori. He was accompanied by Peruvian Senate President Maximo San Roman.

Expressing his satisfaction with the results of the meeting with the president, Du Luart stressed President Fujimori's frankness with regard to national problems.

Du Luart, who was also accompanied by French Ambassador to Peru Jean-Francois Nougarede, stated that France is pleased with Peruvian efforts for reinstatement in the international financial system." This is why we are forming the support group," he said.

Restrictions on Maritime Shipping Eliminated

PY1407223291 Lima LA REPUBLICA in Spanish 5 Jul 91 p 2

[Excerpt] Through a decree, the government has decided to eliminate all administrative restrictions, fees for permission to embark, approvals, and visas that have affected the country's foreign trade for more than 10 years.

This measure was adopted by Transport and Communications Minister Jaime Yoshiyama Tanaka, who said the measure will facilitate trade between Peru and other countries because the exporter has more freedom in choosing a ship to transport his merchandise.

The minister, who not long ago was an exporter ("I have suffered the difficulties of getting a client in the United States or in Africa"), said this measure complies with a government decision to eliminate monopolies that have controlled maritime shipping and service for 10 years.

Moreover, regulations on freight reservations favoring national enterprises, exporters and importers, have been eliminated. Up to two days ago, these enterprises had to transport 50 percent of their cargo aboard Peruvian ships, specifically, CPV [Peruvian Shipping Corporation] ships.

"The whole problem lies in the fact that we want to give the exporter freedom to choose the ship he wants for transporting merchandise," the minister said in remarks to LA REPUBLICA.

"Before, the exporter or importer had to transport half of the cargo aboard national ships." [passage omitted]

Terrorists Wiping Out Local Authorities

PY1407234291 Lima LA REPUBLICA in Spanish 30 Jun 91 pp 16, 17

[Excerpts] It has been reported that subversion is rising in the Andean region of Lima Department because of the lack of local administration. Officials in about 100 villages in the provinces of Huaura, Cajatambo, Oyon, and Huaral—an area where about 95,000 Peruvians live—have been murdered by terrorists or have resigned due to the fear of being murdered. [passage omitted]

In an interview with LA REPUBLICA, Huaura Deputy Prefect Wilder Valderrama admitted this tragic reality. He said the residents of a vast sector of Huaura Province live in permanent distress as a result of the presence of terrorist groups. [passage omitted]

Provincial officials fear that rural Huaura will become uninhabited and its towns will become overpopulated as a result of massive migration, which would result in the breakup of families, overcrowding, unemployment, crime, and mendicancy, just as has occurred in other parts of the country that are disturbed by violence. [passage omitted]

Local residents stated that they are helpless in light of the government's failure to do anything about the situation, and that they feel insecure and unprotected. Most of the towns have no police or military contingents.

They said: "The antisubversive strategy discussed by President Fujimori, his ministers, congressional human rights committees, prosecutors, television, and other mass media has never reached this isolated area of Peru." [passage omitted]

Caujul, a township 3,200 meters above sea level surrounded by rocky hills, was attacked by 12 terrorists, including a woman.

All local authorities were killed in cold blood because they refused to support the political objectives of the terrorists and their insane criminal actions.

Their wives and children cried and begged the terrorists not to kill them, but the criminals were not moved. Reynaldo Garcia Granados, 65; Augusto Rios Sosa, 30; Edilio Matos Toribio, 56; Emilio Leyva Quispe, 23; and Juana Roque Hilario, 45, were riddled with bullets. Their bodies were left in the small square of the then quiet district.

Five districts of the mining province of Oyon—Cochamarca, Navan, Andajes, Oyon, and Caujul—where 15,000 people live, are without mayors. Pachangara is the only exception.

Andajes residents said that because of a lack of official support, the population was not able to prevent the tragedy that occurred on 13 April 1988. On that date, some 50 terrorists dynamited the police station and city hall and riddled the mayor, judge, council secretary, and other local authorities with bullets.

A professor, who was transferred to Huacho after many months of continuous negotiation with USE [Special Services Unit], reported that terrorists are constantly harassing Andajes residents. He said that on many occasions, terrorists come to the township disguised as businessmen who want to buy cattle; their objective is to learn about the activities of the people. [passage omitted]

Paccho and Leoncio Prado Districts, in Huaura Province, have no mayors. One year ago, terrorists killed Mayor Maximo Pacheco in Santa Cruz, capital of Leoncio Prado. On the night of 22 July 1990, Shining Path terrorists murdered community leaders Alfredo Torres Pacheco and Datalio Gonsalez Claros and alleged cattle thief Lucio Salazar Condor. [passage omitted]

Peruvian media have not reported details of the tragic event in Santa Cruz. Relatives of Pacheco, who now live in Huacho, provided the following information: At 1830, authorities were arranging a meeting with local residents that was to be held 30 minutes later at city hall. The meeting was to seek alternatives to face the drought that had hurt the agricultural sector. Suddenly, nine terrorists, including a woman, broke into the place. They were armed with rifles and machetes, and wore ponchos; part of their faces were covered with scarves. Some youths, who noted their presence, managed to escape.

Those who were caught in their homes were compelled to go to city hall, where they listened to the subversives' speeches, which were primarily mainly aimed at insulting President Fujimori and all government officials. None of the residents was allowed to speak. [passage omitted]

Mayor Maximo Pacheco, community leader Datalio Gonsalez, treasurer Alfredo Torres Pacheco, and alleged cattle thief Lucio Salazar were hooded and their hands were tied. Then they were taken to the square, where they were riddled with bullets. [passage omitted]

These crimes went unpunished. No one protested the deaths or the situation of the widows and children. Members of the Senate and Chamber of Deputies Human Rights Committees have never visited Santa Cruz or other villages located in the so-called "red zone" in the Lima mountain range. [passage omitted]

Other districts of Huaura, such as Ambar, Checras, Paccho, and Santa Leonor, also lack authorities. The Electoral Court has called for complementary elections in Ambar and Checras on 18 August, but no one has announced a candidacy.

Only one district in Cajatambo Province, where more than 15,000 people live, has authorities. Mayors and community leaders from Manas, Copa, Huancapon, and Gorgor have been killed.

Huancapon Mayor Juan Liceti Torres, his son Eduardo, and teachers Enrique Solis, Angel Concepcion, and Juana Salazar, who refused to teach subversion at school, were shot in the head.

Civilian authorities and teachers are the primary victims of the Shining Path terrorist organization. More than 20 teachers have been killed thus far in Oyon, Cajatambo, and Huaura Provinces because they refused to support the terrorists. [passage omitted]

Policemen Involved in Plane Accident Dismissed

PY1307173891 Madrid EFE in Spanish 0328 GMT 13 Jul 91

[Text] Lima, 13 Jul (ANDINA)—The Peruvian Interior Ministry reported tonight that the policemen who shot at an Aerochasqui plane in Bellavista, San Martin Department, on 9 July, have been dismissed. The ministry added that the policemen will be tried by a criminal court. The text of the official communique follows:

Official Communique No. 9

Following an investigation, ordered by this ministry, into the unfortunate incident involving an Aerochasqui Airlines flight, the Interior Ministry reports:

1. A preliminary investigation into the events, which are public knowledge, has indicated that the following members of the Peruvian National Police are responsible:

Lieutenant Javier Malaga Cavero
Second Sergeant Filiberto Rios Puerta
Patrolman Elmer Ramirez Guerrero
Patrolman Fabri Rivera Salazar

2. In view of the above, administrative proceedings have been started to dismiss these policemen following appropriate steps provided for in the regulations.

3. Furthermore, since the action perpetrated by these policemen is a crime, the appropriate provincial state prosecutor will be notified so he can formally file charges in a criminal court.

4. The Interior Ministry wishes to reaffirm its firm decision to mete exemplary punishment to police personnel guilty of breaches of discipline, moral standards, order, and full respect for human rights.

Lima, 12 July 1991

'Terrorists' Murder Three Japanese Engineers

PY1207190491 Madrid EFE in Spanish 1841 GMT 12 Jul 91

[All names as received]

[Text] Huaral, 12 Jul (ANDINA)—The local police have reported that a subversive group which took over the facilities of the Peruvian-Japanese horticultural center murdered three Japanese engineers in this city this morning.

The action, which occurred between 0700 [1200 GMT] and 0730, was committed by about 10 heavily armed terrorists who arrived at the town under the command of a young man, 1.65 meters tall, who coordinated the action through a walkie-talkie.

The victims, Miyodara Miyagawa, 58, Seibun Kinra, 30, and Hiroshi Nakarichi, 40, were murdered in cold blood after the terrorists lectured to some peasants about the armed struggle.

After committing the crime, the terrorists dynamited and set on fire the 16 offices of the horticultural center, a [words indistinct].

Foreign Ministry Deplores Murder

PY1307021691 Madrid EFE in Spanish 0117 GMT 13 Jul 91

[Text] Lima, 12 Jul (ANDINA)—The Peruvian Foreign Ministry this afternoon deplored and condemned the murder of three Japanese engineers, which occurred this morning in Huaral Province. The following is the text of the communique:

Official Communique No. 015/91

The Foreign Ministry categorically deplores and condemns the murder of three Japanese engineers today by members of the "Shining Path" terrorist group near the city of Huaral, located north of Lima.

The Peruvian Government and its people repudiate the killing of the three experts of the Japan International Cooperation Agency. No political reasons can be implied because their activities were strictly devoted to helping develop food resources that our country needs.

Through the Foreign Ministry, Peru extends to the relatives of the three martyrs to Peruvian-Japanese friendship and cooperation its deepest sorrow over this irreparable loss.

The destruction of the technical center for the Huaral horticultural center and this regrettable loss commits the government to carry out an exhaustive investigation to punish those responsible, and to stop similar incidents in the future.

[Dated] Lima, 12 July 1991, Foreign Ministry Press Department

'Dangerous' Shining Path Member Captured

PY1207136691 Madrid EFE in Spanish 0243 GMT 12 Jul 91

[Text] La Oroya, 11 Jul (ANDINA) — The National Police have captured in this city a dangerous Shining Path member who is a member of the organization's operations base. He was carrying the plans and the addresses of several public institutions in La Oroya.

The subversive criminal has been identified as Luis Alberto Acuna Falero, alias Comrade Charly, who calls himself the delegate of the Shining Path operations base in Santa Rosa de Shapailla, Leoncio Prado Province, (Huanuco Department).

The subversive was captured near the Central Railway station. He was accompanied by other Shining Path members who managed to escape during a shoot- out.

From the questioning of Acuna Falero, the national police have identified those who fled as Julio Lopez, alias Comrade Dante, the chief of the military command of the same zone; and Carlos Fernandez Ramirez, alias Comrade Carlos.

When arrested, Comrade Charly was carrying three pieces of red cloth, medicine, a bible, and plans of public institutions that were possibly going to be attacked.

Ex-Shining Path Journalist Killed in Ayacucho

PA1307182591 Madrid EFE in Spanish 1555 GMT 13 Jul 91

[Text] Ayacucho, Peru, 13 Jul (EFE)—Peruvian journalist Luis Morales Ortega, who worked for EL DIARIO, newspaper of the Maoist Shining Path, was killed today by unidentified individuals who shot him as he left his house in the city of Ayacucho.

Morales Ortega actively participated in making known the murder of eight journalists and their guide in Uchurajay, Ayacucho Department, on 26 January 1983. At that time, he was working for EL DIARIO, the Shining Path's newspaper, which was closed by the authorities, but which circulates clandestinely.

He was currently working as public relations chief for an agricultural project in Ayacucho Department and was the correspondent for a radio station in Tacna, on the border with Chile.

Morales had received death threats from the so-called "Rodrigo Franco Command," a right-wing paramilitary group that in the past was linked to the American Revolutionary Popular Alliance (APRA), a link the APRA has always denied.

A new paramilitary group called the "Antiterrorist Liberation Command" [Comando Liberacion Antiterrorista] recently appeared in Ayacucho. It had issued death threats against journalists Magno Sosa of SI magazine and Mesias Taquiri of an Ayacucho radio station.

Shining Path Murders Judge; Train Derailed

PA1407001591 Mexico City NOTIMEX in Spanish 0056 GMT 13 Jul 91

[Text] Lima 12 July (NOTIMEX)—Police authorities have revealed that a property rights judge was murdered in the central department of Pasco, located 320 km east of Lima, on 12 July by a column of the outlawed Shining Path movement.

The terrorists entered the home of Isaac Chambergo Roman, 42, and after beating him, proceeded to hang him with his shoelaces.

A police spokesman pointed out that after Chambergo Roman was murdered, his body was dragged through a deserted field where it was later abandoned, approximately 100 meters from his home. His body was later found by neighbors.

The police also reported that a National Railway Company (ENAFER) locomotive hauling seven train cars

loaded with iron ore was blown up when a land mine, which had been placed by alleged Shining Path terrorists, exploded. No casualties were reported.

The explosion took place on milestone 328 of the Arequipa - Cusco train route, near San Sebastian, on the outskirts of the city of Cusco, 1,170 km from Lima.

The locomotive derailed and all the mineral ore fell out of the cars. The conductor and assistant personnel only suffered slight bruises.

According to the police, the attempt was "a seditious maneuver aimed at unleashing chaos among the inhabitants of the department."

Disappearance of Political-Military Chief Denied

PY1507011691 Lima LA REPUBLICA in Spanish 6 Jul 91 p 2

[Excerpt] The Armed Forces Joint Command on 5 July denied rumors disseminated by some mass media about the alleged disappearance of Army Colonel Augusto Salaverry Pereyra, Huanuco political-military chief.

Here is the official report, Press Note No. 014 CCFFAA [expansion unknown], which was handed to LA REPUBLICA:

"In view of distorted information disseminated by some mass media about the disappearance Army Colonel Augusto Salaverry Pereyra, Huanuco political-military chief, it is reported that Colonel Salaverry is discharging his duties normally and has never been missing." [passage omitted]